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**POLICE, FIREMEN, AND TEACHERS SALARIES; QUALIFICATION OF
EDUCATIONAL PERSONNEL; REGULATION OF INSURANCE;
MOTOR VEHICLE RESPONSIBILITY; AND CREATION OF
A LAW REVISION COMMISSION**

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HEARING

BEFORE THE

COMMITTEE ON

THE DISTRICT OF COLUMBIA

UNITED STATES SENATE

NINETY-THIRD CONGRESS

SECOND SESSION

ON

S. 2829

TO AMEND THE DISTRICT OF COLUMBIA POLICE AND
FIREMEN'S SALARY ACT OF 1958 TO INCREASE SALARIES

H.R. 342

TO AUTHORIZE THE DISTRICT OF COLUMBIA TO ENTER
INTO THE INTERSTATE AGREEMENT ON QUALIFICATION
OF EDUCATIONAL PERSONNEL

H.R. 7218

TO IMPROVE THE LAWS RELATING TO THE REGULA-
TION OF INSURANCE COMPANIES IN THE DISTRICT OF
COLUMBIA

H.R. 5686

TO AMEND THE MOTOR VEHICLE SAFETY RESPONS-
IBILITY ACT OF 1925

H.R. 12832

TO CREATE A LAW REVISION COMMISSION FOR THE
DISTRICT OF COLUMBIA

JULY 25, 1974

Printed for the use of the
Committee on the District of Columbia

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POLICE, FIREMEN, AND TEACHERS SALARIES; QUALIFICATION OF EDUCATIONAL PERSONNEL; REGULATION OF INSURANCE; MOTOR VEHICLE RESPONSIBILITY; AND CREATION OF A LAW REVISION COMMISSION

THURSDAY, JULY 25, 1974

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

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

Present: Senator Eagleton.

Staff present: Robert Harris, staff director and general counsel; and Colbert I. King, minority staff director.

The CHAIRMAN. Good morning, ladies and gentlemen.

This morning we are holding hearings on a number of bills, several of which have already been passed by the House of Representatives. These include bills relating to the interstate agreement on qualification of educational personnel, the regulation of insurance companies, the Motor Vehicle Responsibility Act, and to create a law revision commission.

We are also holding a hearing on the proposed pay increases for police, firemen, and teachers. These pay increases have been the subject of hearings by the House District Committee, and while the bills they are working on are not yet before this committee, the witnesses may refer to them as though they were.

I wish to announce that at 10 a.m. I shall adjourn this hearing for a few minutes in order to file and hopefully bring before the Senate for approval the District of Columbia Campaign Finance Reform and Conflict of Interest Act.

I now place in the record copies of the bills on which we are holding this hearing.

These bills are:

S. 2829—To amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries.

H.R. 342—To authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel.

H.R. 7218—To improve the laws relating to the regulation of insurance companies in the District of Columbia.

H.R. 5686—To amend the Motor Vehicle Safety Responsibility Act of 1925.

H.R. 12832—To create a Law Revision Commission for the District of Columbia.

[The bills referred to follow:]

93^D CONGRESS
1ST SESSION

S. 2829

IN THE SENATE OF THE UNITED STATES

DECEMBER 19, 1973

Mr. BEALL (for himself and Mr. MATHIAS) introduced the following bill; which was read twice and referred to the Committee on the District of Columbia

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 Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 101 of the District of Columbia Police and
4 Firemen's Salary Act of 1958 (D.C. Code, sec. 4-823) is
5 amended by adding at the end thereof the following:

6 “(c) (1) That effective on the first day of the first pay
7 period beginning on or after January 1, 1974, the annual
8 rate of basic compensation of the officers and members in
9 active service on the effective date of the District of Colum-
10 bia Police and Firemen's Salary Act Amendments of 1973
11 under the salary schedule in subsection (a) shall be increased

1 by 15 per centum, and for each succeeding calendar year the
2 percentage increase shall not be less than the percentage
3 change, if any, of the annual Consumer Price Index as issued
4 by the Bureau of Labor Statistics for the District of Colum-
5 bia standard metropolitan statistical area, and in no case
6 shall the basic rates of compensation of such officers and
7 members be less than the basic rates of compensation of of-
8 ficers and members in police and fire departments of any
9 city of comparable size in the United States.

10 “(2) The Commissioner of the District of Columbia
11 shall issue such regulations as are necessary to carry out
12 the provisions of this subsection.

13 “(d) The Commissioner of the District of Columbia, in
14 the case of the Metropolitan Police force and the Fire De-
15 partment of the District of Columbia, the Secretary of the
16 Treasury, in the case of the Executive Protective Service,
17 and the Secretary of the Interior, in the case of the United
18 States Park Police force, shall—

19 “(1) establish eligibility requirements for, and

20 “(2) pay to any officer or member other than an
21 officer or member in salary class 10 or 11 of the salary
22 schedule contained in section 101 of the District of Co-
23 lumbia Police and Firemen’s Salary Act of 1958, who
24 (A) is in the force, department, or service under their
25 jurisdiction, and (B) meets such eligibility requirements,

1 additional annual compensation for successful completion of
2 education course work leading to a degree in police or fire
3 science or administration. Such additional compensation shall
4 be fixed to the nearest dollar and shall be payable at the rate
5 of 2 per centum of the scheduled rate of basic compensation
6 for service step 1 of salary class 1 of such salary schedule, in
7 effect at the time of payment, for each fifteen acceptable
8 credit hours of such educational course work completed, ex-
9 cept that the rate payable may not exceed 16 per centum of
10 such scheduled rate."

11 SEC. 2. (a) The additional compensation authorized by
12 the amendment made by the first section of this Act shall be
13 in addition to the basic compensation to which such officer
14 or member is entitled and shall be paid in the same manner
15 as such basic compensation. Such additional compensation
16 shall not be subject to deduction or withholding for retire-
17 ment or insurance and shall not be considered as salary (1)
18 for the purpose of computing annuities pursuant to the
19 Policemen and Firemen's Retirement and Disability Act, or
20 (2) for the purpose of computing insurance coverage under
21 chapter 87 of title 5, United States Code.

22 (b) Notwithstanding any other provision of this or any
23 other law, individuals retired from active service prior to
24 the effective date of this Act and entitled to receive a
25 pension relief allowance or retirement compensation under

1 the provisions of the Policemen and Firemen's Retirement
2 and Disability Act shall not be entitled to receive an in-
3 crease in their pension relief allowance or retirement com-
4 pensation by reason of the enactment of subsection (d) of
5 section 101 of the District of Columbia Police and Fire-
6 men's Salary Act of 1958.

7 (c) The amendment made by the first section of this
8 Act shall take effect on the first day of the first pay period
9 beginning after January 1, 1973.

10 (d) There shall be a 10 per centum night shift differen-
11 tial effective the first pay period beginning on or after Jan-
12 uary 1, 1973, for all officers and members assigned to rota-
13 tion tours of duty for all work actually performed between
14 the hours of 4 postmeridian and 8 antemeridian.

15 (e) Where overtime compensation is to be calculated
16 for regular day tours of duty such calculation shall be based
17 on the rate of pay for the day tour to which the overtime
18 is attached. For tours of duty other than day tours of duty,
19 the overtime calculation shall be based on the rate of pay as
20 determined by the provisions of subsection (d).

93^d CONGRESS
1st SESSION

H. R. 342

IN THE SENATE OF THE UNITED STATES

APRIL 10, 1973

Read twice and referred to the Committee on the District of Columbia

AN ACT

To authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That the Commissioner of the District of Columbia is author-
4 ized to enter into and execute on behalf of the District of
5 Columbia an agreement with any State or States legally
6 joining therein in the form substantially as follows:

7 "THE INTERSTATE AGREEMENT ON QUALIFICA-
8 TION OF EDUCATIONAL PERSONNEL

9 "ARTICLE I—Purpose, Findings, and Policy

10 "1. The States party to this Agreement, desiring by
11 common action to improve their respective school systems

1 by utilizing the teacher or other professional educational
2 person wherever educated, declare that it is the policy of
3 each of them, on the basis of cooperation with one another,
4 to take advantage of the preparation and experience of such
5 persons wherever gained, thereby serving the best interests
6 of society, of education, and of the teaching profession. It
7 is the purpose of this Agreement to provide for the develop-
8 ment and execution of such programs of cooperation as will
9 facilitate the movement of teachers and other professional
10 educational personnel among the States party to it, and to
11 authorize specific interstate educational personnel contracts
12 to achieve that end.

13 “2. The party States find that included in the large
14 movement of population among all sections of the Nation
15 are many qualified educational personnel who move for
16 family and other personal reasons but who are hindered
17 is using their professional skill and experience in their
18 new locations. Variations from State to State in require-
19 ments for qualifying educational personnel discourage such
20 personnel from taking the steps necessary to qualify in other
21 States. As a consequence, a significant number of profes-
22 sionally prepared and experienced educators is lost to our
23 school systems. Facilitating the employment of qualified
24 educational personnel, without reference to their States of
25 origin, can increase the available educational resources. Par-

1 ticipation in this Agreement can increase the availability of
2 educational manpower.

3 "ARTICLE II—Definitions

4 "As used in this Agreement and contracts made pursuant
5 to it, unless the context clearly requires otherwise:

6 "1. 'Educational personnel' means persons who must
7 meet requirements pursuant to State law as a condition of
8 employment in educational programs.

9 "2. 'Designated State official' means the education offi-
10 cial of a State selected by that State to negotiate and enter
11 into, on behalf of his State, contracts pursuant to this
12 Agreement.

13 "3. 'Accept', or any variant thereof, means to recognize
14 and give effect to one or more determinations of another
15 State relating to the qualifications of educational personnel
16 in lieu of making or requiring a like determination that would
17 otherwise be required by or pursuant to the laws of a
18 receiving State.

19 "4. 'State' means a State, territory, or possession of the
20 United States; the District of Columbia; or the Common-
21 wealth of Puerto Rico.

22 "5. 'Originating State' means a State (and the subdivi-
23 sion thereof, if any) whose determination that certain edu-
24 cational personnel are qualified to be employed for specific

1 duties in schools is acceptable in accordance with the terms
2 of a contract made pursuant to Article III.

3 "6. 'Receiving State' means a State (and the subdivi-
4 sions thereof) which accept educational personnel in accord-
5 ance with the terms of a contract made pursuant to Article
6 III.

7 "ARTICLE III—Interstate Educational Personnel
8 Contracts

9 "1. The designated State official of a party State may
10 make one or more contracts on behalf of his State with one
11 or more other party States providing for the acceptance of
12 educational personnel. Any such contract for the period of
13 its duration shall be applicable to and binding on the States
14 whose designated State officials enter into it, and the sub-
15 divisions of those States, with the same force and effect as if
16 incorporated in this Agreement. A designated State official
17 may enter into a contract pursuant to this Article only with
18 States in which he finds that there are programs of educa-
19 tion, certification standards or other acceptable qualifications
20 that assure preparation or qualification of educational per-
21 sonnel on basis sufficiently comparable, even though not
22 identical to that prevailing in his own State.

23 "2. Any such contract shall provide for:

24 (a) Its duration.

25 (b) The criteria to be applied by an originating State

1 in qualifying educational personnel for acceptance by a
2 receiving State.

3 (c) Such waivers, substitutions, and conditional accept-
4 ances as shall aid the practical effectuation of the contract
5 without sacrifice of basic educational standards.

6 (d) Any other necessary matters.

7 "3. No contract made pursuant to this Agreement shall
8 be for a term longer than five years by any such contract
9 may be renewed for like or lesser periods.

10 "4. Any contract dealing with acceptance of educational
11 personnel on the basis of their having completed an educa-
12 tional program shall specify the earliest date or dates on
13 which originating State approval of the program or programs
14 involved can have occurred. No contract made pursuant
15 to this Agreement shall require acceptance by a receiving
16 State of any person qualified because of successful comple-
17 tion of a program prior to January 1, 1954.

18 "5. The certification or other acceptance of a person
19 who has been accepted pursuant to the terms of a contract
20 shall not be revoked or otherwise impaired because the
21 contract has expired or been terminated. However, any
22 certificate or other qualifying document may be revoked or
23 suspended on any ground which would be sufficient for
24 revocation or suspension of a certificate or other qualifying

1 document initially granted or approved in the receiving
2 State.

3 "6. A contract committee composed of the designated
4 State officials of the contracting States or their representa-
5 tives shall keep the contract under continuous review, study
6 means of improving its administration, and report no less
7 frequently than once a year to the heads of the appropriate
8 education agencies of the contracting States.

9 "ARTICLE IV—Approved and Accepted Programs

10 "1. Nothing in this Agreement shall be construed to
11 repeal or otherwise modify any law or regulation of a party
12 State relating to the approval of programs of educational
13 preparation having effect solely on the qualification of edu-
14 cational personnel within that State.

15 "2. To the extent that contracts made pursuant to this
16 Agreement deal with the educational requirements for the
17 proper qualification of educational personnel, acceptance of
18 a program of educational preparation shall be in accordance
19 with such procedures and requirements as may be provided
20 in the applicable contract.

21 "ARTICLE V—Interstate Cooperation

22 "The party States agree that:

23 "1. They will, so far as practicable, prefer the making
24 of multi-lateral contracts pursuant to Article III of this
25 Agreement.

1 “2. They will facilitate and strengthen cooperation in
2 interstate certification and other elements of educational
3 personnel qualification and for this purpose shall cooperate
4 with agencies, organizations, and associations interested in
5 certification and other elements of educational personnel
6 qualification.

7 “ARTICLE VI—Agreement Evaluation

8 “The designated State officials of any party States may
9 meet from time to time as a group to evaluate progress under
10 the Agreement, and to formulate recommendations for
11 changes.

12 “ARTICLE VII—Other Arrangements

13 “Nothing in this Agreement shall be construed to pre-
14 vent or inhibit other arrangements or practices of any party
15 State or States to facilitate the interchange of educational
16 personnel.

17 “ARTICLE VIII—Effect and Withdrawal

18 “1. This Agreement shall become effective when enacted
19 into law by two States. Thereafter it shall become effective
20 as to any State upon its enactment of this Agreement.

21 “2. Any party State may withdraw from this Agree-
22 ment by enacting a statute repealing the same, but no such
23 withdrawal shall take effect until one year after the Gover-
24 nor of the withdrawing State has given notice in writing of
25 the withdrawal to the Governors of all other party States.

1 “3. No withdrawal shall relieve the withdrawing State
2 of any obligation imposed upon it by a contract to which
3 it is a party. The duration of contracts and the methods and
4 conditions of withdrawal therefrom shall be those specified
5 in their terms.

6 “ARTICLE IX—Construction and Severability

7 “This Agreement shall be liberally construed so as to
8 effectuate the purposes thereof. The provisions of this Agree-
9 ment shall be severable and if any phrase, clause, sentence,
10 or provision of this Agreement is declared to be contrary
11 to the constitution of any State or of the United States, or
12 the application thereof to any Government, agency, person,
13 or circumstance is held invalid, the validity of the remainder
14 of this Agreement and the applicability thereof to any Gov-
15 ernment, agency, person, or circumstance shall not be af-
16 fected thereby. If this Agreement shall be held contrary to
17 the constitution of any State participating therein, the Agree-
18 ment shall remain in full force and effect as to the State
19 affected as to all severable matters.”

20 SEC. 2. The “designated State official” for the District
21 of Columbia shall be the Superintendent of Schools of the
22 District of Columbia. The Superintendent shall enter into
23 contracts pursuant to Article III of the Agreement only with
24 the approval of the specific text thereof by the Board of
25 Education of the District of Columbia.

1 SEC. 3. True copies of all contracts made on behalf
2 of the District of Columbia pursuant to the Agreement shall
3 be kept on file in the office of the Board of Education of
4 the District of Columbia and in the office of the Commis-
5 sioner of the District of Columbia. The Superintendent of
6 Schools shall publish all such contracts in convenient form.

7 SEC. 4. As used in the Interstate Agreement on Quali-
8 fication of Educational Personnel, the term "Governor"
9 when used with reference to the District of Columbia shall
10 mean the Commissioner of the District of Columbia.

Passed the House of Representatives April 9, 1973.

Attest:

W. PAT JENNINGS,

Clerk.

93^D CONGRESS
1ST SESSION

H. R. 7218

IN THE SENATE OF THE UNITED STATES

NOVEMBER 27, 1973

Read twice and referred to the Committee on the District of Columbia

AN ACT

To improve the laws relating to the regulation of insurance companies in the District of Columbia.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Holding Company Sys-
4 tem Regulatory Act".

5 SEC. 2. DEFINITIONS.—As used in this Act, unless the
6 context otherwise requires—

7 (a) "affiliate" (an "affiliate" of, or person "af-
8 filiated" with a specific person), means a person that
9 directly, or indirectly through one or more intermedi-
10 aries, controls, or is controlled by or is under common
11 control with, the person specified;

1 (b) "commissioner" means the Commissioner of
2 the District of Columbia or his designated agent;

3 (c) "control" (including the terms "controlling",
4 "controlled by" and "under common control with")
5 means the possession, direct or indirect, of the power to
6 direct or cause the direction of the management and
7 policies of a person, whether through the ownership of
8 voting securities, by contract other than a commercial
9 contract for goods or nonmanagement services, or other-
10 wise, unless the power is the result of an official position
11 with or corporate office held by the person. Control
12 shall be presumed to exist if any person, directly or
13 indirectly, owns, controls, holds with the power to vote,
14 or holds proxies representing 10 per centum or more of
15 the voting securities of any other person;

16 (d) "District" means the District of Columbia;

17 (e) "insurance holding company system" consists
18 of two or more affiliated persons, one or more of which
19 is an insurer;

20 (f) "insurer" includes any company defined by
21 section 2, chapter I, of the Life Insurance Act (D.C.
22 Code, sec. 35-302) and by section 3, chapter I, of the
23 Fire and Casualty Act (D.C. Code, sec. 35-1303),
24 authorized to do the business of insurance in the District,
25 except that it shall not include agencies, authorities, or

1 instrumentalities of the United States, its possessions
2 and territories, the Commonwealth of Puerto Rico, the
3 District of Columbia, or a State or political subdivision
4 of a State;

5 (g) "person" is an individual, a corporation, a part-
6 nership, an association, a joint stock company, a trust, an
7 unincorporated organization, any similar entity, or any
8 combination of the foregoing acting in concert, but shall
9 not include any securities broker performing no more
10 than the usual and customary broker's function;

11 (h) "securityholder" of a specified person is one
12 who owns any security of such person, including common
13 stock, preferred stock, debt obligations, and any other
14 security convertible into or evidencing the right to ac-
15 quire any of the foregoing;

16 (i) "subsidiary" of a specified person is an affiliate
17 controlled by such person directly, or indirectly through
18 one or more intermediaries; and

19 (j) "voting security" includes any security con-
20 vertible into or evidencing a right to acquire a voting
21 security.

22 SUBSIDIARIES OF INSURERS

23 SEC. 3. (a) AUTHORIZATION.—Any domestic insurer,
24 either by itself or in cooperation with one or more persons,
25 may, subject to the limitation stated in subsection (b) of this

1 section, organize or acquire one or more subsidiaries. Such
2 subsidiaries may conduct any kind of business or businesses
3 and their authority to do so shall not be limited by reason of
4 the fact that they are subsidiaries of a domestic insurer.

5 (b) LIMITED ADDITIONAL INVESTMENT AUTHOR-
6 ITY.—(1) The total amount which a domestic insurer may
7 invest in the common stock, preferred stock, debt obligations,
8 and other securities of the subsidiaries referred to in subsec-
9 tion (a) of this section shall not exceed the lesser of (A)
10 5 per centum of such insurer's assets, or (B) in the case of
11 a capital stock company, 50 per centum of the excess of its
12 capital, surplus, and contingency reserves over the then re-
13 quired statutory minimum capital and surplus, or, in the
14 case of a mutual company, 50 per centum of the excess of
15 its surplus and contingency reserves over the then required
16 statutory minimum surplus.

17 (2) In calculating the amount of such investments,
18 there shall be included (A) total net moneys or other con-
19 sideration expended and obligations assumed in the acquisi-
20 tion or formation of a subsidiary, including all organizational
21 expenses and contributions to capital and surplus of such
22 subsidiary, whether or not represented by the purchase of
23 capital stock or issuance of other securities, and (B) all
24 amounts expended in acquiring additional common stock,
25 preferred stock, debt obligations, and other securities, and all

1 contributions to the capital or surplus of a subsidiary sub-
2 sequent to its acquisition or formation.

3 (c) EXEMPTIONS FROM INVESTMENT RESTRIC-
4 TIONS.—The investments permitted under this section shall
5 be in addition to the investments in common stock pre-
6 ferred stock, debt obligations, and other securities permitted
7 under sections 35 and 41 of chapter III of the Life Insur-
8 ance Act (D.C. Code, secs. 35-535 and 35-541) and sec-
9 tion 18, chapter II, of the Fire and Casualty Act (D.C.
10 Code, sec. 35-1321), and the investments under this section
11 shall not be subject to any of the otherwise applicable re-
12 strictions or prohibitions contained in the aforesaid sections
13 of law applicable to such investments of insurers.

14 (d) QUALIFICATIONS OF INVESTMENT: WHEN DE-
15 TERMINED.—Whether any investment pursuant to this
16 sections meets the applicable requirements thereof is to be
17 determined immediately after such investment is made, tak-
18 ing into account the then outstanding principal balance of
19 all previous investments and debt obligations and the value
20 of all previous investments in equity securities as of the date
21 of the new investment.

22 (e) CESSATION OF CONTROL.—If an insurer ceases to
23 control a subsidiary, it shall dispose of any investment there-
24 in made pursuant to this section within three years from the
25 time of the cessation of control or within such further time

1 as the Commissioner may prescribe, unless at any time after
2 such investment was made, such investment meets the re-
3 quirements for investment under sections 35 and 41, chapter
4 III, of the Life Insurance Act (D.C. Code, secs. 35-535
5 and 35-541) and section 18, chapter II, of the Fire and
6 Casualty Act (D.C. Code, sec. 35-1521), and the insurer
7 has notified the Commissioner thereof.

8 ACQUISITION OF CONTROL OF OR MERGER WITH
9 DOMESTIC INSURER

10 SEC. 4. (a) FILING REQUIREMENTS.—No person other
11 than the issuer shall make a tender offer for or a request or
12 invitation for tenders of, or enter into any agreement to
13 exchange securities for, seek to acquire, or acquire, in the
14 open market or otherwise, any voting security of a domestic
15 insurer if, after the consummation thereof, such person would
16 directly or indirectly (or by conversion or by exercise of
17 any right to acquire) be in control of such insurer, and no
18 person shall enter into an agreement to merge with or other-
19 wise to acquire control of a domestic insurer, unless, at the
20 time any such offer, request, or invitation is made or any
21 such agreement is entered into, or prior to the acquisition of
22 such securities if no offer or agreement is involved, such per-
23 son has filed with the Commissioner and has sent to such
24 insurer, and such insurer has sent to its shareholders, a state-
25 ment containing the information required by this section and

1 such offer, request, invitation, agreement, or acquisition has
2 been approved by the Commissioner in the manner herein-
3 after prescribed. For purposes of this section a domestic
4 insurer shall include any other person controlling a domestic
5 insurer unless such other person is either directly or through
6 its affiliates primarily engaged in business other than the
7 business of insurance.

8 (b) CONTENT OF STATEMENT.—The statement to be
9 filed with the Commissioner hereunder shall be made under
10 oath or affirmation and shall contain the following
11 information:

12 (1) The name and address of each person by whom
13 or on whose behalf the merger or other acquisition of con-
14 trol referred to in subsection (a) is to be effected (here-
15 inafter called “acquiring party”), and

16 (A) If such person is an individual, his principal
17 occupation and all offices and positions held during the
18 past five years, and any conviction of crimes other than
19 minor traffic violations during the past ten years;

20 (B) If such person is not an individual, a report
21 of the nature of its business operations during the past
22 five years or for such lesser period as such person and
23 any predecessors thereof shall have been in existence;
24 an informative description of the business intended to be
25 done by such person and such person’s subsidiaries; and

1 a list of all individuals who are or who have been selected
2 to become directors or executive officers of such person,
3 or who perform or will perform functions appropriate to
4 such positions. Such list shall include for each such in-
5 dividual the information required by subparagraph (A)
6 of this subsection.

7 (2) The source, nature, and amount of the considera-
8 tion used or to be used in effecting the merger or other
9 acquisition of control, a description of any transaction where-
10 in funds were or are to be obtained for any such purpose,
11 and the identity of persons furnishing such consideration:
12 *Provided*, That where a source of such consideration is a
13 loan made in the lender's ordinary course of business, the
14 identity of the lender shall remain confidential, if the person
15 filing such statement so requests.

16 (3) Fully audited financial information as to the earn-
17 ings and financial condition of each acquiring party for the
18 preceding five fiscal years of each such acquiring party (or
19 for such lesser period as such acquiring party and any prede-
20 cessors thereof shall have been in existence), and similar
21 unaudited information as of a date not earlier than ninety
22 days prior to the filing of the statement.

23 (4) Any plans or proposals which each acquiring party
24 may have to liquidate such insurer, to sell its assets or merge
25 or consolidate it with any person, or to make any other

1 material change in its business or corporate structure or
2 management.

3 (5) The number of shares of any security referred to
4 in subsection (a) which each acquiring party proposes to
5 acquire, and the terms of the offer, request, invitation, agree-
6 ment, or acquisition referred to in subsection (a), and a
7 statement as to the method by which the fairness of the
8 proposal was arrived at.

9 (6) The amount of each class of any security referred
10 to in subsection (a) which is beneficially owned or con-
11 cerning which there is a right to acquire beneficial owner-
12 ship by each acquiring party.

13 (7) A full description of any contracts, arrangements,
14 or understandings with respect to any security referred to
15 in subsection (a) in which any acquiring party is involved,
16 including but not limited to transfer of any of the securities,
17 joint ventures, loan or option arrangements, puts or calls,
18 guarantees of loans, guarantees against loss or guarantees of
19 profits, division of losses or profits, or the giving or with-
20 holding of proxies. Such description shall identify the per-
21 sons with whom such contracts, arrangements, or under-
22 standings have been entered into.

23 (8) A description of the purchase of any security re-
24 ferred to in subsection (a) during the twelve calendar
25 months preceding the filing of the statement, by any acquir-

1 ing party, including the dates of purchase, names of the pur-
2 chasers, and consideration paid or agreed to be paid therefor.

3 (9) A description of any recommendations to purchase
4 any security referred to in subsection (a) made during the
5 twelve calendar months preceding the filing of the state-
6 ment, by any acquiring party, or by anyone based upon
7 interviews or at the suggestion of such acquiring party.

8 (10) Copies of all tender offers for, requests or invita-
9 tions for tenders of exchange offers for, and agreements to
10 acquire or exchange any securities referred to in subsection
11 (a), and (if distributed) of additional soliciting material
12 relating thereto.

13 (11) The terms of any agreement, contract, or under-
14 standing made with any broker-dealer as to solicitation of
15 securities referred to in subsection (a) for tender, and the
16 amount of any fees, commissions, or other compensation to
17 be paid to broker-dealers with regard thereto.

18 (12) Such additional information as the Commissioner
19 may by rule or regulation prescribe as necessary or appro-
20 priate for the protection of policyholders and securityholders
21 of the insurer or in the public interest. If the person required
22 to file the statement referred to in subsection (a) is a part-
23 nership, limited partnership, syndicate, or other group, the
24 Commissioner may require that the information called for by
25 paragraphs (1) through (12) shall be given with respect to

1 each partner of such partnership or limited partnership, each
2 member of such syndicate or group, and each person who
3 controls such partner or member. If any such partner, mem-
4 ber, or person is a corporation or the person required to file
5 the statement referred to in subsection (a) is a corporation,
6 the Commissioner may require that the information called
7 for by paragraphs (1) through (12) shall be given with
8 respect to such corporation, each officer and director of such
9 corporation, and each person who is directly or indirectly
10 the beneficial owner of more than 10 per centum of the out-
11 standing voting securities of such corporation. If any mate-
12 rial change occurs in the facts set forth in the statement filed
13 with the Commissioner and sent to such insurer pursuant to
14 this section, an amendment setting forth such change, to-
15 gether with copies of all documents and other material rele-
16 vant to such change, shall be filed with the Commissioner and
17 sent to such insurer within two business days after the person
18 learns of such change. Such insurer shall send such amend-
19 ment to its shareholders.

20 (c) ALTERNATIVE FILING MATERIALS.—If any offer,
21 request, invitation, agreement, or acquisition referred to in
22 subsection (a) is proposed to be made by means of a regis-
23 tration statement under the Securities Act of 1933 or in cir-
24 cumstances requiring the disclosure of similar information
25 under the Securities Exchange Act of 1934, or under a State

1 law requiring similar registration or disclosure, the person
2 required to file the statement referred to in subsection (a)
3 may utilize such documents in furnishing the information
4 called for by that statement.

5 (d) APPROVAL BY COMMISSIONER; HEARINGS.—

6 (1) The Commissioner shall approve any merger
7 or other acquisition of control referred to in subsection
8 (a) unless, after a public hearing thereon, he finds that:

9 (A) After the change of control the domestic
10 insurer referred to in subsection (a) would not be
11 able to satisfy the requirements for the issuance of
12 a license to write the line or lines of insurance for
13 which it is presently licensed;

14 (B) The effect of the merger or other acquisi-
15 tion of control would be substantially to lessen com-
16 petition in insurance in the District or tend to create
17 a monopoly therein;

18 (C) The financial condition of any acquiring
19 party is such as might jeopardize the financial stabil-
20 ity of the insurer, or prejudice the interest of its
21 policyholders or the interests of any remaining secu-
22 rityholders who are unaffiliated with such acquiring
23 party;

24 (D) The terms of the offer, request, invitation,
25 agreement, or acquisition referred to in subsection

1 (a) are unfair and unreasonable to the security-
2 holders of the insurer;

3 (E) The plans or proposals which the acquir-
4 ing party has to liquidate the insurer, sell its assets
5 or consolidate or merge it with any person, or to
6 make any other material change in its business or
7 corporate structure or management, are unfair and
8 unreasonable to policyholders of the insurer and
9 not in the public interest; or

10 (F) The competence, experience, and integrity
11 of those persons who would control the operation
12 of the insurer are such that it would not be in the
13 interest of policyholders of the insurer or of the
14 public to permit the merger or other acquisition of
15 control.

16 (2) The public hearing referred to in paragraph
17 (1) shall be held within thirty days after the statement
18 required by subsection (a) is filed, and at least twenty
19 days' notice thereof shall be given by the Commissioner
20 to the person filing the statement. Not less than seven
21 days' notice of such public hearing shall be given by
22 the person filing the statement to the insurer and to
23 such other person as may be designated by the Com-
24 missioner. The insurer shall give such notice to its
25 securityholders. The commissioner shall make a de-

1 termination within thirty days after the conclusion of
2 such hearing. At such hearing, the person filing the
3 statement, the insurer, any person to whom notice of
4 hearing was sent, and any other person whose interests
5 may be affected thereby shall have the right to present
6 evidence, examine and cross-examine witnesses, and
7 offer oral and written arguments, and in connection there-
8 with shall be entitled to conduct discovery proceedings
9 in the same manner as is presently allowed in the Su-
10 perior Court of the District of Columbia. All discovery
11 proceedings shall be concluded not later than three days
12 prior to the commencement of the public hearing.

13 (e) MAILINGS TO SHAREHOLDERS; PAYMENT OF EX-
14 PENSES.—All statements, amendments, or other material
15 filed pursuant to subsection (a) or (b), and all notices of
16 public hearings held pursuant to subsection (d), shall be
17 mailed by the insurer to its shareholders within five busi-
18 ness days after the insurer has received such statements,
19 amendments, other material, or notices. The expenses of
20 mailing shall be borne by the person making the filing. As
21 security for the payment of such expenses, such person
22 shall file with the Commissioner an acceptable bond or other
23 deposit in an amount to be determined by the Commissioner.

24 (f) EXEMPTIONS.—The provisions of this section shall
25 not apply to—

1 (1) any offers, requests, invitations, agreements,
2 or acquisitions by the person referred to in subsection
3 (a) of any voting security referred to in subsection (a)
4 which, immediately prior to the consummation of such
5 offer, request, invitation, agreement, or acquisition, was
6 not issued and outstanding;

7 (2) any offer, request, invitation, agreement, or
8 acquisition if, under the terms thereof, the consumma-
9 tion of the transaction contemplated thereunder would
10 result in the ownership by security holders of the do-
11 mestic insurer of stock possessing at least 80 per centum
12 of the total combined voting power of all classes of
13 stock of the acquiring party entitled to vote, or at least
14 80 per centum of the total combined voting power of all
15 classes of stock of the person in control of the acquiring
16 party entitled to vote; and

17 (3) any offer, request, invitation, agreement, or
18 acquisition which the Commissioner by order shall ex-
19 empt therefrom as (A) not having been made or en-
20 tered into for the purpose and not having the effect
21 of changing or influencing the control of a domestic
22 insurer, or (B) as otherwise not comprehended within
23 the purposes of this section.

24 (g) VIOLATIONS.—The following shall be violations of
25 this section:

1 with the Commissioner, except a foreign insurer subject to
2 disclosure requirements and standards adopted by statute or
3 regulation in the jurisdiction of its domicile which are sub-
4 stantially similar to those contained in this Act. Any insurer
5 which is subject to registration under this section shall regis-
6 ter within sixty days after the effective date of this Act or
7 fifteen days after it becomes subject to registration, whichever
8 is later, unless the Commissioner for good cause shown ex-
9 tends the time for registration, and then within such extended
10 time. The Commissioner may require any authorized insurer
11 which is a member of a holding company system which is not
12 subject to registration under this section to furnish a copy of
13 the registration statement or other information filed by such
14 insurance company with the insurance regulatory authority
15 of its domiciliary jurisdiction.

16 (b) INFORMATION AND FORM REQUIRED.—Every in-
17 surer subject to registration shall file a registration statement
18 on a form provided by the Commissioner, which shall con-
19 tain current information about—

20 (1) the capital structure, general financial condi-
21 tion, ownership, and management of the insurer and any
22 person controlling the insurer;

23 (2) the identity of every member of the insurance
24 holding company system;

25 (3) the following agreements in force, relationships

1 subsisting, and transactions currently outstanding be-
2 tween such insurer and its affiliates;

3 (A) loans, other investments, or purchases,
4 sales or exchanges or securities of the affiliates by
5 the insurer or of the insurer by its affiliates;

6 (B) purchases, sales, or exchanges of assets;

7 (C) transactions not in the ordinary course of
8 business;

9 (D) guarantees or undertakings for the benefit
10 of an affiliate which result in an actual contingent
11 exposure of the insurer's assets to liability, other than
12 insurance contracts entered into in the ordinary
13 course of the insurer's business;

14 (E) all management and service contracts and
15 all cost-sharing arrangements, other than cost al-
16 location arrangements based upon generally ac-
17 cepted accounting principles; and

18 (F) reinsurance agreements covering all or
19 substantially all of one or more lines of insurance
20 of the ceding company.

21 (4) other matters concerning transactions between
22 registered insurers and any affiliates as may be included
23 from time to time in any registration forms adopted
24 or approved by the Commissioner.

25 (c) MATERIALITY.—No information need be disclosed
26 on the registration statement filed pursuant to subsection (b)

1 if such information is not material for the purposes of this
2 section. Unless the Commissioner by rule, regulation, or
3 order provides otherwise, sales, purchases, exchanges, loans,
4 or extensions of credit, or investments, involving one-half of
5 1 per centum or less of an insurer's admitted assets as of
6 the thirty-first day of December next preceding shall not
7 be deemed material for purposes of this section.

8 (d) AMENDMENTS TO REGISTRATION STATEMENTS.—
9 Each registered insurer shall keep current the information
10 required to be disclosed in its registration statement by re-
11 porting all material changes or additions on amendment
12 forms provided by the Commissioner within fifteen days
13 after the end of the month in which it learns of each such
14 change or addition: *Provided*, That subject to subsection
15 (c) of section 6, each registered insurer shall so report all
16 dividends and other distributions to shareholders within two
17 business days following the declaration thereof.

18 (e) TERMINATION OF REGISTRATION.—The Commis-
19 sioner shall terminate the registration of any insurer which
20 demonstrates that it no longer is a member of an insurance
21 holding company system.

22 (f) CONSOLIDATED FILING.—The Commissioner may
23 require or allow two or more affiliated insurers subject to
24 registration hereunder to file a consolidated registration
25 statement or consolidated reports amending their consolidated

1 registration statement or their individual registration state-
2 ments.

3 (g) ALTERNATIVE REGISTRATION.—The Commissioner
4 may allow an insurer which is authorized to do business in
5 the District and which is part of an insurance holding com-
6 pany system to register on behalf of any affiliated insurer
7 which is required to register under subsection (a) and to
8 file all information and material required to be filed under
9 this section.

10 (h) EXEMPTIONS.—The provisions of this section shall
11 not apply to any insurer, information, or transaction if and
12 to the extent that the Commissioner by rule, regulation, or
13 order shall exempt the same from the provisions of this
14 section.

15 (i) DISCLAIMER.—The presumption of control as de-
16 fined by section 2 (c), may be rebutted by a showing made
17 in the manner herein provided that control does not exist in
18 fact. The Commissioner may determine, after furnishing all
19 persons in interest notice and an opportunity to be heard and
20 making specific findings of fact to support such determina-
21 tion, that control exists in fact, notwithstanding the absence
22 of a presumption to that effect. Any person may file with
23 the Commissioner a disclaimer of affiliation with any author-
24 ized insurer or such a disclaimer may be filed by such insurer
25 or any member of an insurance holding company system.

1 The disclaimer shall fully disclose all material relationships
2 and bases for affiliation between such person and such in-
3 surer as well as the basis for disclaiming such affiliation.
4 After a disclaimer has been filed, the insurer shall be relieved
5 of any duty to register or report under this section which
6 may arise out of the insurer's relationship with such person
7 unless and until the Commissioner disallows the disclaimer.
8 The Commissioner shall disallow such a disclaimer only after
9 furnishing all parties in interest with notice and opportunity
10 to be heard and after making specific findings of fact to
11 support such disallowance.

12 (j) VIOLATIONS.—The failure to file a registration state-
13 ment or any amendment thereto required by this section
14 within the time specified for such filing shall be a violation
15 of this section.

16 STANDARDS

17 SEC. 6. (a) TRANSACTIONS WITH AFFILIATES.—Ma-
18 terial transactions by registered insurers with their affiliates
19 shall be subject to the following standards:

- 20 (1) the terms shall be fair and reasonable;
- 21 (2) the books, accounts, and records of each party
22 shall be so maintained as to clearly and accurately dis-
23 close the precise nature and details of the transactions;
- 24 and
- 25 (3) the insurer's surplus as regards policyholders

1 following any dividends or distributions to shareholder
2 affiliates shall be reasonable in relation to the insurer's
3 outstanding liabilities and adequate to its financial needs.

4 (b) ADEQUACY OF SURPLUS.—For the purposes of
5 this section in determining whether an insurer's surplus as
6 regards policyholders is reasonable in relation to the insurer's
7 outstanding liabilities and adequate to its financial needs, the
8 following factors, among others, shall be considered:

9 (1) the size of the insurer as measured by its assets,
10 capital and surplus, reserves, premium writings, insur-
11 ance in force, and other appropriate criteria;

12 (2) the extent to which the insurer's business is
13 diversified among the several lines of insurance;

14 (3) the number and size of risks insured in each line
15 of business;

16 (4) the extent of the geographical dispersion of
17 the insurer's insured risks;

18 (5) the nature and extent of the insurer's reinsur-
19 ance program;

20 (6) the quality, diversification, and liquidity of the
21 insurer's investment portfolio;

22 (7) the recent past and projected future trend in
23 the size of the insurer's surplus as regards policyholders;

24 (8) the surplus as regards policyholders maintained
25 by other comparable insurers;

1 (9) the adequacy of the insurer's reserves; and

2 (10) the quality and liquidity of investments in
3 subsidiaries made pursuant to section 3. The Commis-
4 sioner may treat any such investment as a disallowed
5 asset for purposes of determining the adequacy of sur-
6 plus as regards policyholders whenever in his judgment
7 such investment so warrants.

8 (c) DIVIDENDS AND OTHER DISTRIBUTIONS.—(1) No
9 insurer subject to registration under section 5 shall pay any
10 extraordinary dividend or make any other extraordinary dis-
11 tribution to its shareholders until (A) thirty days after the
12 Commissioner has received notice of the declaration thereof
13 and has not within such period disapproved such payment,
14 or (B) the Commissioner shall have approved such pay-
15 ment within such thirty-day period.

16 (2) For purposes of this section, an extraordinary divi-
17 dend or distribution includes any dividend or distribution of
18 cash or other property, whose fair market value together
19 with that of other dividends or distributions made within
20 the preceding twelve months exceeds the greater of (A)
21 10 per centum of such insurer's surplus as regards policy-
22 holders as of the thirty-first day of December next preceding
23 or (B) the net gain from operations of such insurer, if such
24 insurer is a life insurer, or the net investment income, if such
25 insurer is not a life insurer, for the twelve-month period

1 ending the thirty-first day of December next preceding, but
2 shall not include pro rata distributions of any class of the
3 insurer's own securities.

4 (3) Notwithstanding any other provision of law, an
5 insurer may declare an extraordinary dividend or distribu-
6 tion which is conditional upon the Commissioner's approval
7 thereof, and such a declaration shall confer no rights upon
8 shareholders until (A) the Commissioner has approved the
9 payment of such dividend or distribution or (B) the Con-
10 missioner has not disapproved such payment within the
11 thirty-day period referred to above.

12 EXAMINATION

13 SEC. 7. (a) POWER OF COMMISSIONER.—Subject to the
14 limitation contained in this section and in addition to the
15 powers which the Commissioner has under the insurance laws
16 of the District relating to the examination of insurers, the
17 Commissioner shall also have the power to order any insurer
18 registered under section 5 to produce such records, books,
19 papers, or other information in the possession of the insurer
20 or its affiliates as shall be necessary to ascertain the financial
21 condition or legality of conduct of such insurer. In the event
22 such insurer fails to comply with such order, the Commis-
23 sioner shall have the power to examine such affiliates to
24 obtain such information.

25 (b) PURPOSE AND LIMITATION OF EXAMINATION.—

1 The Commissioner shall exercise his power under subsection
2 (a) only if the examination of the insurer under and as is
3 provided for by the insurance laws of the District is inade-
4 quate or the interests of the policyholders of such insurer
5 may be adversely affected.

6 (c) USE OF CONSULTANTS.—The Commissioner may
7 retain at the registered insurer's expense such attorneys,
8 actuaries, accountants, and other experts not otherwise a
9 part of the Commissioner's staff as shall be reasonably nec-
10 essary to assist in the conduct of the examination under sub-
11 section (a). Any persons so retained shall be under the di-
12 rection and control of the Commissioner and shall act in a
13 purely advisory capacity.

14 (d) EXPENSES.—Each registered insurer producing for
15 examination records, books, and papers pursuant to sub-
16 section (a) shall be liable for and shall pay the expense of
17 such examination in accordance with the provisions of sec-
18 tion 19, chapter II, of the Life Insurance Act (D.C. Code,
19 sec. 35-418) and section 10, chapter II, of the Fire and
20 Casualty Act (D.C. Code, sec. 35-1313), pertaining to
21 examination expense.

22 SEC. 8. CONFIDENTIAL TREATMENT.—All information,
23 documents, and copies thereof obtained by or disclosed to
24 the Commissioner or any other person in the course of an
25 examination or investigation made pursuant to section 7

1 and all information reported pursuant to section 5, shall be
2 given confidential treatment and shall not be subject to
3 subpena and shall not be made public by the Commissioner
4 or any other person, except to insurance departments of
5 other States, without the prior written consent of the insurer
6 to which it pertains unless the Commissioner, after giving
7 the insurer and its affiliates who would be affected thereby,
8 notice and opportunity to be heard, determines that the
9 interests of policyholders, shareholders, or the public will be
10 served by the publication thereof, in which event he may
11 publish all or any part thereof in such manner as he may
12 deem appropriate.

13 SEC. 9. RULES AND REGULATIONS.—The Commissioner
14 may, upon notice and opportunity of all interested persons
15 to be heard, issue such rules, regulations, and orders as shall
16 be necessary to carry out the provisions of this Act.

17 INJUNCTIONS; PROHIBITIONS AGAINST VOTING SECURI-
18 TIES; SEQUESTRATION OF VOTING SECURITIES

19 SEC. 10. (a) INJUNCTIONS.—Whenever it appears to
20 the Commissioner that any insurer or any director, officer,
21 employee or agent thereof has committed or is about to com-
22 mit a violation of this Act or of any rule, regulation, or
23 order issued by the Commissioner hereunder, the Commis-
24 sioner may apply to the Superior Court of the District of Co-
25 lumbia for an order enjoining such insurer or such director,

1 officer, employee, or agent thereof from violating or con-
2 tinuing to violate this Act or any such rule, regulation, or
3 order, and for such other equitable relief as the failure of the
4 case and the interests of the insurer's policyholders, credi-
5 tors, shareholders, or the public may require.

6 (b) VOTING OF SECURITIES; WHEN PROHIBITED.—
7 No security which is the subject of any agreement or ar-
8 rangement regarding acquisition, or which is acquired or to
9 be acquired, in contravention of the provisions of this Act
10 or of any rule, regulation, or order issued by the Commis-
11 sioner hereunder may be voted at any shareholders' meeting,
12 or may be counted for quorum purposes, and any action of
13 shareholders requiring the affirmative vote of a percentage
14 of shares may be taken as though such securities were not
15 issued and outstanding; but no action taken at any such
16 meeting shall be invalidated by the voting of such securities,
17 unless the action would materially affect control of the in-
18 surer or unless the Superior Court of the District of Columbia
19 has so ordered. If an insurer or the Commissioner has reason
20 to believe that any security of the insurer has been or is
21 about to be acquired in contravention of the provisions of
22 this Act or of any rule, regulation, or order issued by the
23 Commissioner hereunder the insurer or the Commissioner
24 may apply to the Superior Court of the District of Columbia
25 to enjoin any offer, request, invitation, agreement, or acqui-

1 sition made in contravention of section 4 of any rule, regula-
2 tion, or order issued by the Commissioner thereunder to
3 enjoin the voting of any security so acquired, to void any
4 vote of such security already cast at any meeting of share-
5 holders, and for such other equitable relief as the nature of
6 the case and the interests of the insurer's policyholders,
7 creditors, shareholders, or the public may require.

8 (c) SEQUESTRATION OF VOTING SECURITIES.—In any
9 case where a person has or is proposing to acquire any vot-
10 ing securities in violation of this Act or any rule, regulation,
11 or order issued by the Commissioner hereunder, the Superior
12 Court of the District of Columbia may, on such notice as the
13 court deems appropriate, upon the application of the insurer
14 or the Commissioner seize or sequester any voting securities
15 of the insurer owned directly or indirectly by such person,
16 and issue such orders with respect thereto as may be appro-
17 priate to effectuate the provisions of this Act. Notwithstand-
18 ing any other provisions of law, for the purposes of this Act
19 the situs of the ownership of the securities of domestic in-
20 surers shall be deemed to be in the District.

21 SEC. 11. CRIMINAL PROCEEDINGS.—Whenever it ap-
22 pears to the Commissioner that any insurer or any director,
23 officer, employee, or agent thereof has committed a willful
24 violation of this Act, the Commissioner may cause criminal
25 proceedings to be instituted in the District against such in-

1 surer or the responsible director, officer, employee, or agent
2 thereof. Any insurer which willfully violates this Act may
3 be fined not more than \$1,000. Any individual who willfully
4 violates this Act may be fined not more than \$1,000 or, if
5 such willful violation involves the deliberate perpetration of
6 a fraud upon the Commissioner, imprisoned not more than
7 two years or both.

8 SEC. 12. RECEIVERSHIP.—Whenever it appears to the
9 Commissioner that any person has committed a violation of
10 this Act which so impairs the financial condition of a do-
11 mestic insurer as to threaten insolvency or make the further
12 transaction of business by it hazardous to its policyholders,
13 creditors, shareholders, or the public, the Commissioner may
14 proceed as provided under the insurance laws of the District
15 to take possession of the property of such domestic insurer
16 and to conduct the business thereof.

17 SEC. 13. REVOCATION, SUSPENSION, OR NON-RENEWAL
18 OF INSURER'S LICENSE.—Whenever it appears to the Com-
19 missioner that any person has committed a violation of this
20 Act which makes the continued operation of an insurer con-
21 trary to the interests of policyholders or the public, the
22 Commissioner may, after giving notice and an opportunity
23 to be heard, suspend, revoke, or refuse to renew such
24 insurer's license or authority to do business in the District
25 for such period as he finds is required for the protection of
26 policyholders or the public. Any such determination shall be

1 accompanied by specific findings of fact and conclusions of
2 law.

3 SEC. 14. JUDICIAL REVIEW; MANDAMUS.—(a) Any
4 person aggrieved by any act, determination, rule, regulation,
5 or order or any other action of the Commissioner pursuant
6 to this Act may appeal therefrom to the District of Colum-
7 bia Court of Appeals, in accordance with the District of
8 Columbia Administrative Procedure Act.

9 (b) Any person aggrieved by any failure of the Com-
10 missioner to act or make a determination required by this
11 Act may petition the Superior Court of the District of Colum-
12 bia for a writ in the nature of a mandamus or a peremptory
13 mandamus directing the Commissioner to act or make such
14 determination forthwith.

15 SEC. 15. CONFLICT WITH OTHER LAWS.—All laws
16 and parts of laws of the District inconsistent with this Act are
17 hereby superseded with respect to matters covered by this
18 Act.

19 SEC. 16. SEPARABILITY OF PROVISIONS.—If any provi-
20 sion of this Act or the application thereof to any person or
21 circumstance is held invalid, the invalidity shall not affect
22 other provisions or applications of this Act which can be

1 given effect without the invalid provision or application, and
2 for this purpose the provisions of this Act are separable.

3 SEC. 17. EFFECTIVE DATE.—This Act shall take effect
4 thirty days after the date of its enactment.

Passed the House of Representatives November 26, 1973.

Attest:

W. PAT JENNINGS,

Clerk.

93^d CONGRESS
2^d SESSION

H. R. 5686

IN THE SENATE OF THE UNITED STATES

JULY 10, 1974

Read twice and referred to the Committee on the District of Columbia

AN ACT

To amend the Motor Vehicle Safety Responsibility Act of the District of Columbia and the District of Columbia Traffic Act, of 1925, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "District of Columbia
4 Motor Vehicle Act".

5 TITLE I—APPLICATION OF ADMINISTRATIVE
6 PROCEDURE ACT TO CASES INVOLVING SUS-
7 PENSION OR REVOCATION OF OPERATORS'
8 PERMITS AND OWNERS' REGISTRATIONS

9 SEC. 101. Section 4 of the Motor Vehicle Safety Re-
10 sponsibility Act of the District of Columbia (68 Stat. 121),
11 as amended (D.C. Code, sec. 40-420), is amended to read
12 as follows:

1 “SEC. 4. HEARINGS BY COMMISSIONER.—(a) Any
2 person aggrieved by any order or act of the Commissioner
3 under the provisions of this Act shall have the right to file a
4 petition for a hearing in the manner prescribed by the
5 Commissioner and it shall be the duty of the Commissioner
6 to set the matter for hearing, to take testimony, and examine
7 into the facts of the case to determine whether the order or
8 act was done in accordance with the provisions of this Act.
9 Such petition shall be in writing, shall set out in detail the
10 reasons for such hearing, and shall be filed with the Com-
11 missioner within five days after such order or act.

12 “(b) A petition for a hearing to the Commissioner shall
13 operate as a stay of any order of suspension. Such stay shall
14 be allowed for such period as will enable the Commis-
15 sioner to afford the petitioner due notice and an opportunity
16 for a hearing. In the event the initial order of suspension or
17 revocation is sustained after such hearing, such order shall
18 become effective immediately.”

19 SEC. 102. Section 13 of the District of Columbia Traffic
20 Act, 1925 (43 Stat. 1125), as amended (D.C. Code, sec.
21 40-302), is amended to read as follows:

22 “SEC. 13. (a) As used in this section—

23 “(1) The term ‘Commissioner’ means the Commis-
24 sioner of the District of Columbia or his designated agent.

25 “(2) The term ‘license’ means any driver’s license or

1 any other license or permit to operate a motor vehicle issued
2 under, or granted by, the laws of the District including: (A)
3 any temporary license or instruction permit; (B) the priv-
4 ilege of any person to drive a motor vehicle whether or not
5 such person holds a valid license; and (C) any nonresident's
6 operating privilege as defined herein.

7 “(3) The term ‘nonresident’s operating privilege’
8 means the privilege conferred upon a nonresident by the
9 laws of the District pertaining to the operation by such per-
10 son of a motor vehicle, or the use of a vehicle owned by such
11 person, in the District.

12 “(b) The Commissioner is hereby authorized to sus-
13 pend or revoke without a preliminary hearing the opera-
14 tor’s permit of any person for any reason which he may
15 deem sufficient.

16 “(c) Whenever the operator’s permit of any person
17 is revoked or suspended, no new operator’s permit shall
18 be issued nor shall the operating privilege of any person
19 be reinstated for at least six months after the revocation or
20 suspension, except in the discretion of the Commissioner.

21 “(d) Whenever the Commissioner suspends or revokes
22 the operator’s permit of any person, the reasons therefor
23 shall be set out in the order of suspension or revocation.

24 “(e) Any person denied an operator’s permit or whose
25 operator’s permit has been suspended or revoked by the

1 Commissioner, except where such revocation is mandatory
2 under the provisions of this Act, shall have the right to file
3 a petition for a hearing in the manner prescribed by the
4 Commissioner, and it shall be the duty of the Commissioner
5 to set the matter for hearing, to take testimony, and examine
6 into the facts of the case to determine whether the petitioner
7 is entitled to an operator's permit or is subject to suspension
8 or revocation of such operator's permit under the provisions
9 of this Act. Such petition shall be in writing, shall set out
10 in detail the reasons for such hearing, and shall be filed
11 with the Commissioner within five days after the per-
12 son has been denied an operator's permit or an order of
13 suspension or revocation has been issued.

14 “(f) A petition for a hearing to the Commissioner
15 shall operate as a stay of any order of suspension or revo-
16 cation except when such order has been issued revoking or
17 suspending the operator's permit of any person on account
18 of mental or physical incapacity, or following a conviction
19 for an offense for which mandatory revocation of a motor
20 vehicle operator's permit is required under this Act. Such
21 stay shall be allowed for such period as will enable the
22 Commissioner to afford petitioner due notice and opportunity
23 for a hearing. In the event the initial order of suspension or
24 revocation is sustained after such hearing, such order of sus-
25 pension or revocation shall become effective immediately.

1 “(g) Any individual found guilty of operating a motor
2 vehicle in the District during the period for which his motor
3 vehicle operator’s permit is revoked or suspended under this
4 Act shall, for each such offense, be fined not less than \$100
5 nor more than \$500, or imprisoned not less than thirty days
6 nor more than one year, or both.”

7 TITLE II—ISSUANCE OF OPERATOR’S PERMITS
8 TO POLICE OFFICERS AND FIREMEN OPER-
9 ATING GOVERNMENT VEHICLES IN THE
10 DISTRICT OF COLUMBIA

11 SEC. 201. Subsection (a) of section 7 of the Dis-
12 trict of Columbia Traffic Act, 1925 (D.C. Code, sec. 40-
13 301(a)), is amended by adding at the end thereof the
14 following new paragraph:

15 “(7) Officers and members of any police force operating
16 in the District of Columbia and of the Fire Department of
17 the District shall be issued, without charge, a permit to
18 operate government-owned vehicles, while engaged in the
19 performance of official duties, upon the presentation of a
20 certificate from the Chief of such police force or the Fire
21 Chief, or their designated agents, to the effect that such
22 officer or member is assigned to operate a government vehicle
23 and is qualified to operate such vehicle, and upon being ex-
24 amined by the Commissioner as to his knowledge of the
25 traffic regulations of the District of Columbia.”

1 TITLE III—AMENDMENT OF REGISTRATION,
2 TAG, AND TRANSFER REQUIREMENTS

3 SEC. 301. Section 2 of title IV of the District of
4 Columbia Revenue Act of 1937 (50 Stat. 680; D.C. Code,
5 sec. 40-102) is amended—

6 (1) by striking out “Commissioners of the District
7 of Columbia” in subsection (b) and inserting in lieu
8 thereof “District of Columbia Council”;

9 (2) by striking out “Commissioners” in paragraph
10 (1) of subsection (b) and inserting in lieu thereof
11 “Council”;

12 (3) by amending paragraph (2) of subsection (b)
13 to read as follows:

14 “(2) of certificates of registration, and identification
15 tags, without charge, for all motor vehicles and trailers
16 owned by the United States or by the District of
17 Columbia;”;

18 (4) by redesignating paragraphs (3) and (4) of
19 subsection (b) as paragraphs (4) and (5), respec-
20 tively, and by adding the following new paragraph (3):

21 “(3) annually, without charge, of certificates of
22 registration and identification tags for all motor vehicles
23 and trailers officially used by any duly accredited repre-
24 sentative of a foreign government;”;

25 (5) by striking out “Commissioners” in paragraph

1 (5) of subsection (b) (as redesignated by this section),
2 and inserting in lieu thereof "Council";

3 (6) by striking out "Commissioners" in subsection
4 (c) and inserting in lieu thereof "Council";

5 (7) by adding in subsection (d) immediately after
6 the second sentence the following new sentence: "In
7 the case of joint ownership, upon consent of all the joint
8 owners, such transfer may be made in the manner pre-
9 scribed above to any person formerly a party to the joint
10 ownership.";

11 (8) by striking out "Commissioners of the District
12 of Columbia are" in subsection (e) and inserting in lieu
13 thereof "District of Columbia Council is";

14 (9) by striking out "Commissioners of the District
15 of Columbia are", "Commissioners", and "Commis-
16 sioners under rules and regulations prescribed by them"
17 in the first sentence of subsection (f) and inserting in
18 lieu thereof "District of Columbia Council is", "Coun-
19 cil", and "Commissioner or his designated representa-
20 tive", respectively;

21 (10) by striking out "Commissioners" in the sec-
22 ond sentence of such subsection (f) and inserting in
23 lieu thereof "Commissioner"; and

24 (11) by striking out "Commissioners" in the third

1 sentence of such subsection (f) and inserting in lieu
2 thereof "Commissioner".

3 TITLE IV—AMENDMENTS RELATING TO JUDG-
4 MENTS AND TRAFFIC REGULATIONS

5 SEC. 401. Section 47 of the Motor Vehicle Safety Re-
6 sponsibility Act of the District of Columbia (D.C. Code,
7 sec. 40-463) is amended by inserting immediately before
8 the period at the end of such section a comma and the follow-
9 ing: "except that if the right to enforce such judgment by
10 docketing and revival, or by revival, shall have expired with-
11 out such docketing and revival, or if the judgment creditor
12 fails to file notice of the docketing and revival of his judg-
13 ment with the Commissioner, the suspension of the license
14 or registration of the judgment debtor shall be terminated".

15 SEC. 402. The first sentence of subsection (h) of section
16 6 of the District of Columbia Traffic Act, 1925 (D.C. Code,
17 sec. 40-603 (h)) is amended to read as follows: "All regu-
18 lations promulgated under the authority of this Act shall be
19 published in accordance with the requirements of the District
20 of Columbia Administrative Procedure Act (D.C. Code,
21 sec. 1-1501 et seq.), but no penalty shall be enforced for any
22 violation of any such regulation which occurs within ten
23 days after the date of such publication, except that when-
24 ever the District of Columbia Council deems it advisable to
25 make effective immediately any regulation relating to park-

1 ing, diverting of vehicular traffic, or the closing of streets to
2 such traffic, the regulation shall become effective immediately
3 upon placing at the point where it is to be in force con-
4 spicuous signs containing a notice of the regulation.”.

Passed the House of Representatives July 9, 1974.

Attest:

W. PAT JENNINGS,

Clerk.

93^d CONGRESS
2^d SESSION

H. R. 12832

IN THE SENATE OF THE UNITED STATES

MARCH 26, 1974

Read twice and referred to the Committee on the District of Columbia

AN ACT

To create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as "the District of Columbia
4 Law Revision Commission Act".

5 SEC. 2. (a) There is established in the District of Co-
6 lumbia a District of Columbia Law Revision Commission
7 (hereafter in this Act referred to as the "Commission")
8 which shall consist of fifteen members appointed as follows:

9 (1) Two members shall be appointed by the Presi-
10 dent of the United States.

1 (2) One member shall be appointed by the
2 Speaker of the House of Representatives.

3 (3) One member shall be appointed by the Presi-
4 dent pro tempore of the Senate.

5 (4) One member shall be appointed by the minor-
6 ity leader of the House of Representatives.

7 (5) One member shall be appointed by the minor-
8 ity leader of the Senate.

9 (6) Three members shall be appointed by the Com-
10 missioner of the District of Columbia, one of whom
11 shall be a nonlawyer, and one of whom shall be a
12 member of the law faculty of a law school in the District
13 of Columbia.

14 (7) One member shall be appointed by the Chair-
15 man of the District of Columbia Council.

16 (8) Two members shall be appointed by the Joint
17 Committee on Judicial Administration in the District
18 of Columbia.

19 (9) One member shall be appointed by the District
20 of Columbia Corporation Counsel.

21 (10) Two members shall be appointed by the
22 Board of Governors of the District of Columbia unified
23 bar.

24 (b) No person may be appointed as a member of the
25 Commission unless he is a citizen of the United States. At

1 least eight persons appointed to the Commission shall be
2 bona fide residents of the District of Columbia who have
3 maintained an actual place of abode in the District of Colum-
4 bia for at least the ninety days immediately prior to their
5 appointments as such members. The remaining persons ap-
6 pointed as members of the Commission shall be residents of
7 the National Capital Region, as defined in the Act of June 6,
8 1924 (D.C. Code, sec. 1-1001 et seq.) (establishing the
9 National Capital Planning Commission), who have main-
10 tained an actual place of abode in the National Capital Re-
11 gion for at least ninety days immediately prior to their
12 appointments as such members.

13 (c) Members of the Commission shall serve for four-
14 year terms and may be reappointed.

15 (d) The Chairman of the Commission shall be selected
16 by the members of the Commission from among their
17 number.

18 (e) Each appointment of members of the Commission
19 shall be made, without regard to political party affiliation,
20 on the basis of the ability of that person to perform his
21 duties with the Commission.

22 (f) Appointments made to fill vacancies on the Commis-
23 sion shall be made in the same manner, and on the same
24 basis, as original appointments to the Commission are made.
25 A member appointed to fill a vacancy shall serve until the

1 expiration of the term of the member whose vacancy he was
2 appointed to fill.

3 (g) Members and the Chairman of the Commission
4 shall be entitled to receive \$100 for each day (including
5 traveltime) during which they are engaged in the actual
6 performance of duties vested in the Commission, except no
7 member of Chairman shall receive more than \$5,000 for the
8 performance of such duties during any twelve-month period.

9 (h) While away from their homes or regular places of
10 business in the performance of the duties of the Commission,
11 members, including the Chairman, of the Commission shall
12 be allowed travel expenses, including per diem in lieu of
13 subsistence, in the same manner as persons employed inter-
14 mittently in the Government service are allowed expenses
15 under section 5703 (b) of title 5 of the United States Code.

16 (i) The Commission may appoint and fix the compensa-
17 tion of such personnel as it deems advisable. Such personnel
18 shall be appointed subject to the provisions of title 5 of the
19 United States Code, governing appointments in the com-
20 petitive service, and shall be paid in accordance with the
21 provisions of chapter 51 and subchapter II of chapter 53 of
22 such title relating to classification and General Schedule
23 pay rates. Persons appointed to the staff of the Commis-
24 sion shall be so appointed solely on the basis of their ability
25 to perform the duties of the Commission without regard to

1 political party affiliation. Employees of the Commission
2 shall be regarded as employees of the District of Columbia
3 government.

4 (j) The Commission, acting through its Chairman, may
5 request from any department, agency, or instrumentality of
6 the executive branch of the Federal and District govern-
7 ments, including independent agencies, any information for
8 carrying out the purposes of this Act; and each department,
9 agency, instrumentality, and independent agency is au-
10 thorized and directed, to the extent permitted by law, to
11 furnish to the Commission the requested information.

12 (k) The Commission may enter into contracts with Fed-
13 eral or State agencies, private firms, institutions, and individ-
14 uals for the conduct of research or surveys, the preparation of
15 reports, and other activities necessary to the discharge of its
16 duties.

17 (l) The Commission may establish such advisory
18 groups, committees, and subcommittees, consisting of mem-
19 bers or nonmembers, as it deems necessary and appropriate
20 to carry out the purposes of this Act.

21 SEC. 3. (a) It shall be the duty of the Commission to—

22 (1) examine the common law and statutes relating
23 to the District of Columbia, the ordinances, regulations,
24 resolutions, and acts of the District of Columbia Coun-
25 cil, and all relevant judicial decisions for the purpose of

1 discovering defects and anachronisms in the law relating
2 to the District of Columbia and recommending needed
3 reforms;

4 (2) receive and consider proposed changes in the
5 law recommended by the American Law Institute, the
6 Conference of Commissioners on Uniform State Laws,
7 any bar association or other learned bodies;

8 (3) receive and consider suggestions from judges,
9 justices, public officials, lawyers, and the public gen-
10 erally as to defects and anachronisms in the law relating
11 to the District of Columbia; and

12 (4) recommend, from time to time, to the Congress,
13 and where appropriate to the Commissioner of the Dis-
14 trict of Columbia and to the District of Columbia Coun-
15 cil, such changes in the law relating to the District of
16 Columbia as it deems necessary to modify or eliminate
17 antiquated and inequitable rules of law, and to bring the
18 law relating to the District of Columbia, both civil and
19 criminal, into harmony with modern conditions.

20 In carrying out its duties under this Act, the Commission
21 shall give special consideration to the examination of the
22 common law and statutes relating to the criminal law in
23 the District of Columbia, and all relevant judicial decisions,
24 for the purpose of discovering defects and anachronisms in
25 the law relating to the criminal law in the District of Colum-
26 bia and recommending needed reforms.

1 (b) In addition to those duties of the Commission speci-
2 fied in subsection (a), the Commission shall prepare and
3 recommend proposed uniform rules of practice, including
4 rules relating to the conduct of hearings, for administrative
5 agencies of the District of Columbia, including both inde-
6 pendent and subordinate agencies, which conduct on-the-
7 record hearings. The Commission shall also make a study
8 of the District of Columbia Administrative Procedure Act
9 for the purpose of preparing a manual, including relevant
10 legislative history and legal precedents, for the guidance of the
11 respective administrative agencies.

12 SEC. 4. (a) The Commission shall make an annual
13 report of its proceedings to the President, to the Congress,
14 to the Commissioner of the District of Columbia, and to the
15 District of Columbia Council by March 31 of each year. All
16 reports of the Commission to the Congress, including reports
17 made under section 3 (a) (4), shall be filed with the Clerk
18 of the House of Representatives and the Secretary of the
19 Senate, and where appropriate, include drafts of proposed
20 bills to carry out any of its recommendations.

21 (b) Upon the filing of the Commission's annual report
22 at the end of the fourth full calendar year after the date that
23 funds are first appropriated to the Commission, the Com-
24 mission shall cease to exist, unless extended by Congress.

1 SEC. 5. (a) Section 7 of the District of Columbia Ad-
2 ministrative Procedure Act (D.C. Code, sec. 1-1507) is
3 amended by adding at the end thereof the following:

4 “(d) Every regulation in the nature of a law or municipi-
5 pal ordinance adopted by the Council under authority speci-
6 fied in Reorganization Plan Numbered 3 of 1967, or under
7 authority of any Act of Congress, upon enactment, shall be
8 codified and published in a Municipal Code of the District of
9 Columbia which shall conform as closely as possible and shall
10 be cross-indexed with the District of Columbia Code com-
11 piled by the Committee on the Judiciary of the House of
12 Representatives. The Council shall from time to time issue
13 such supplements or otherwise update and keep current the
14 Municipal Code of the District of Columbia established under
15 this subsection. The first such codification and publication
16 of the Municipal Code of the District of Columbia shall be
17 completed within one year after the date of enactment of
18 this subsection.”.

19 (b) The District of Columbia Council shall provide for
20 public distribution (at cost) of the Municipal Code of the
21 District of Columbia established by the amendment made by
22 subsection (a).

23 SEC. 6. For the purpose of carrying out this Act, includ-
24 ing the amendment made by this Act, there are authorized

- 1 to be appropriated, out of moneys in the Treasury credited
- 2 to the District of Columbia and not otherwise appropriated,
- 3 such amounts as may be necessary to carry out the purpose
- 4 of this Act.

Passed the House of Representatives March 25, 1974.

Attest:

W. PAT JENNINGS,

Clerk.

The CHAIRMAN. Senator Beall, who introduced S. 2829 with Senator Mathias, has submitted a prepared statement on that bill which I now place in the record.

[The prepared statement of Senator Beall follows:]

STATEMENT BY SENATOR J. GLENN BEALL, JR., REGARDING S. 2829 BEFORE THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. Chairman, on December 19, 1973 my colleague the Ranking Minority Member on this Committee, Senator Mathias, and I introduced S. 2829 designed to provide a salary increase for the members of the District of Columbia Police Force, the Executive Protective Service, the U.S. Park Police, and the Fire Department of the District of Columbia.

In addition, S. 2829 would provide for an automatic cost of living escalator so that the salaries of our fire and law enforcement officers would be made inflation proof. I consider this provision to be very important in light of the decision by the House of Representatives to delete a similar provision from their legislation.

Mr. Chairman, law enforcement officers and firemen play an absolutely essential role in the well-being of any community. Their professions are increasingly complex, frequently thankless, and on far too many occasions extremely dangerous. Like fire insurance, we never think about the importance of our law enforcement officers and fire prevention agencies until we need them.

Most Americans, the overwhelming majority of whom are law-abiding citizens, never come in direct contact with the law enforcement establishment. In spite of this low visibility, I believe most Americans realize that the "thin blue line" stands between a law abiding society and anarchy. One need only refer to the serious breakdown of civil authority which took place in the city of Montreal during a policemen's strike several years ago. The absence of law enforcement officers brought out the worst instincts in far too many people and an extremely dangerous and destructive situation developed. A somewhat similar crisis developed several weeks ago when large numbers of Baltimore City policemen went on strike. Large sections of the city were left unprotected. A major crisis was avoided when the majority of the city policemen, supplemented by the Maryland State Police, continued to fulfill their responsibilities.

I would also note, Mr. Chairman, that our Nation's firefighters are engaged in a most hazardous profession. Their death rate is at least 15 percent higher than that of the next most hazardous occupation, mining and quarrying. Fire fighting is always going to be an especially hazardous profession, and like policemen, they are generally out of sight and out of mind.

Now, the Nation's Capital finds itself confronted by a serious problem in the field of law enforcement. The District of Columbia has a fine police force which is, for the most part, well trained and highly professional. However, the surrounding counties, which have grown dramatically in recent years, are both in need of well trained policemen and prepared to pay a higher salary than is currently being paid in the District of Columbia. The District police force could be subject to a serious depletion of its talented manpower if this condition is not corrected.

Almost all of the employees of the District of Columbia received a 4.7 percent cost of living increase last October. The District's firemen and policemen were not covered by the provisions of this pay increase. In fact, the District's policemen last received a pay increase in May of 1972. S. 2829 will provide for a 15 percent pay increase as well as establish the machinery needed to periodically adjust police and firemen salaries so as to compensate for the effects of inflation.

Mr. Chairman, I have prepared several tables which compare minimum and maximum salaries paid to police privates and cities over 500,000 population and in the other jurisdictions of the Washington Metropolitan Area. These figures certainly substantiate the case for a raise for D.C. police and firemen. In addition, I have prepared statistics relative to the turnover in manpower on the District of Columbia's police force, and I ask unanimous consent that these charts be printed in the record of this hearing at the conclusion of my remarks.

MINIMUM AND MAXIMUM SALARIES PAID POLICE:
PRIVATES BY CITIES OVER 500,000 POPULATION

Cities				
	Minimum	Maximum	Steps	Years
Chicago _____	\$10,524	\$14,824	5	3½
Cincinnati _____	10,183	11,415	3	3
Cleveland _____	11,387	12,387	3	3
Detroit _____	10,300	13,500	4	4
Houston _____	11,140	12,096	4	3
Los Angeles _____	11,256	13,992	5	1½
New York _____	12,849	14,300	4	3
Philadelphia _____	11,447	12,022	5	2
San Diego _____	11,244	13,672	5	3
San Francisco _____	13,680	14,280	4	4
Seattle _____	10,512	13,032	4	3½
Wash., D.C. _____	10,000	14,400	8	16

Local jurisdictions				
	Minimum	Maximum	Steps	Years
Alexandria _____	\$10,081	\$12,254	5	5
Arlington _____	10,605	13,536	6	6
Fairfax _____	9,989	14,759	8	16
Montgomery County _____	10,104	13,509	6	6
Prince Georges County _____	10,275	13,749	6	6
Wash., D.C. _____	10,000	14,400	8	16

NUMBER OF POLICEMEN APPOINTED	
Fiscal year:	
1972 _____	771
1973 _____	331
Calendar year:	
1972 _____	520
1973 _____	476

NUMBER OF POLICEMEN RESIGNED ¹	
Fiscal year:	
1972 _____	482
1973 _____	338
Calendar year:	
1972 _____	400
1973 _____	320

Average number of years experience at the time of resignation—3 years. (Salary of a policeman with 3 years experience is \$11,300.)

¹ These figures do not reflect involuntary separation.

The CHAIRMAN. Inasmuch as Mayor Washington is not here as yet, we will hear from Mr. Maximilian Wallach, Superintendent of the District of Columbia Insurance Department, and from Mr. Joseph Murphy, Director, District of Columbia Motor Vehicle Department.

Will you gentlemen please come forward. I understand that Mr. Wallach is to testify on H.R. 7218, and that Mr. Murphy is to testify on H.R. 5686, and that their testimony will be brief.

STATEMENT OF MAXIMILIAN WALLACH, SUPERINTENDENT,
DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE; AND
JOSEPH MURPHY, DIRECTOR, DISTRICT OF COLUMBIA DEPARTMENT OF MOTOR VEHICLES

Mr. WALLACH. Mr. Chairman, my name is Maximilian Wallach, and I am the Superintendent of the District of Columbia Department of Insurance.

The CHAIRMAN. Yes; you have appeared before the committee. I also know Mr. Murphy very well.

Mr. WALLACH. The testimony I have before you is in written form. It is parallel to my testimony in the House.

The CHAIRMAN. Your full prepared statement will be made a part of the record.

Will you please give us a synopsis of your presentation?

INSURANCE COMPANY TAKEOVERS WILL BE AVOIDED

Mr. WALLACH. When I testified before the House, 37 States had passed similar bills. Now it is 41 States.

The purpose very briefly is to have a procedure to regulate insurance companies in such a way that takeovers will be avoided. That is as brief as I can make it.

The CHAIRMAN. I am familiar with the contents of the bill.

Mr. WALLACH. There is one typographical error, and it is on page 6, line 6.

The CHAIRMAN. This is page 6, line 6 of H.R. 7218?

Mr. WALLACH. It should be 1321.

The CHAIRMAN. How does it appear in the bill, and how should it be corrected?

Mr. WALLACH. Page 6, line 6 reads 1521. It should read 1321.

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

I also have a prepared statement from Mr. Robert Price, vice president and general counsel, Peoples Life Insurance Co., Washington, D.C., on behalf of a number of insurance companies, which I also place in the record.

[The prepared statements of Mr. Wallach and Mr. Price follows:]

DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE
STATEMENT IN SUPPORT OF H. R. 7218
SUBCOMMITTEE ON BUSINESS, COMMERCE AND JUDICIARY
COMMITTEE ON THE DISTRICT OF COLUMBIA
UNITED STATES SENATE

July 25, 1974

BACKGROUND

Insurers are regulated by the states and the District of Columbia, in some instances, for over one hundred years. Model legislation is often developed by the National Association of Insurance Commissioners (NAIC) of which the D. C. Insurance Department is a statutory member.

The primary goal of state insurance regulation is to provide for continued solvency of insurers. In addition, of course, regulation is to assure the fair treatment of policyholders and availability of insurance among others.

Conservative investments by insurers in part required by statute and in part pursued by insurers on a voluntary basis, have led to quality investments and economic survival in years of depressions in the past.

In more recent years diversifications has led to reorganizations whereby additional related services have been provided by corporations affiliated with the insurer. In some instances, the insurer established one or more subsidiaries, at other times "outside" corporations have acquired control of one or more affiliated insurers.

After considerable studies the NAIC in 1969 developed model legislation known as "The Holding Company System Regulatory Act" to provide proper procedures for mergers and acquisitions granting the Insurance Commissioner additional statutory authority as well as charging him with the responsibility to protect policyholders, so that financial and/or managerial erosion of their acquired rights are avoided.

In the 92nd Congress S-3298 was introduced, and in this the 93rd Congress H. R. 7218 was introduced on April 19, 1973, and passed on November 26, 1973 to confer statutory authority on the Commissioner in the area of regulating insurance holding companies in a similar way as is now being done in at least 41 states.

H. R. 7218 closely follows the NAIC model.

ANALYSIS OF H. R. 7218

INVESTMENT

Recognizing the need for diversification, investment liberalizations, as applicable to subsidiaries, have been provided subject to quantitative tests contained in section 3 of the bill.

DISCLOSURE

A filing requirement in case of acquisitions or mergers is established in section 4 of the bill providing for disclosures to the Commissioner and shareholders. Financial information as well as plans for material changes of the business, corporate structure or management are to be revealed.

Material is to be filed for the purpose of protecting policyholders, security holders, or when in the public interest.

The hearing procedure is utilized to establish a record of facts as a basis for the Commissioner's approval, or disapproval, if stated criteria are not met. Broad notification is to be made by required mailings.

Reasonable exemptions are provided to accomplish flexibility.

REGISTRATION

By means of registration required by section 5 and procedural requirements to accomplish such registration data are to be made available to the Commissioner to reveal intra corporate transactions and existence of a control relationship.

STANDARDS

In addition to the disclosure contained in the registration, section 6 contains standards which should govern transactions between affiliates, monitor the insurer's adequacy of surplus, and prohibit extraordinary dividends or other distributions without prior approval by the Commissioner.

EXAMINATION

In order to bring about compliance, the Commissioner in section 7 is given powers to examine insurers and affiliates, the use of consultants and the right to assess expenses. The confidentiality of the information is dealt with in section 8.

ENFORCEMENT

The Commissioner is given regulatory powers in section 9; court injunctions are provided in section 10. Criminal proceedings in section 11, receivership in case of impairment in section 12, revocation, suspension or non-renewal of insurer's license in section 13, and judicial review in section 14.

CONFLICT AND SEPARABILITY OF PROVISIONS

Sections 15 and 16 provide proper safeguards.

EFFECTIVE DATE

Section 17 provides for the Act to take effect thirty days after the date of its enactment.

SUMMARY

The Act provides satisfactory liberalization of investment laws, and procedures to disclose and examine mergers and acquisitions pertaining to D. C. domiciled companies. Foreign companies, if subject to substantially similar provisions contained in the acts of other states, are exempt. This permits sound and fair development of regulation at the state level. It also means an administrative relief from duplication of filings and reporting now required of D. C. domiciled companies in the other states.

Foreign companies domiciled in states which have not as yet passed similar legislation, will be subject to this Act.

The provisions of the bill will enable the District of Columbia to update its laws and attain the desirable level of holding company insurance regulations now existing in at least ~~47~~ states.

Maximilian Wallach
Superintendent of Insurance

Statement of
Robert N. Price
The District of Columbia Committee
United States Senate
In Support of H.R. 7218

July 25, 1974

I am Robert N. Price, Vice President and General Counsel of Peoples Life Insurance Company, Washington, D. C. This consolidated statement in support of H.R. 7218 is made on behalf of the following domestic District of Columbia life insurance companies:

Acacia Mutual Life Insurance Company

Government Employees Life Insurance Company

Peoples Life Insurance Company

United Services Life Insurance Company

A model bill to regulate insurance holding companies was approved by the National Association of Insurance Commissioners in June, 1969, and is known as the Insurance Holding Company System Regulatory Act. As of July 1, 1974, forty-four states have adopted this model bill with slight variations and modifications which were necessary for compatibility with their Code. H.R. 7218 is the model bill for the District of Columbia Insurance Code with minor changes.

During the past three decades, there have been major social, economic and political changes which have exerted great influence on the market for insurance and the services which insurance companies can perform for their policyholders and the public. They have given rise to sound and legitimate reasons why some insurance companies have found it advantageous to utilize a holding company operation. The severe restrictions imposed by state statutes applicable to the insurance business have prevented insurers from serving new and changing needs of the insurance buyer and the total economy, particularly in the areas of investment, underwriting and the provisions of a wide spectrum of financial services.

Three major trends have impelled insurers to diversify their activities. The first is the long-term trend of inflation which has accelerated in the past two decades. The second trend is the persistent decline in the underwriting profits of property-liability insurers. And the third is the increased attention to the concept of "one-stop" financial service. To diversify their activities, many insurers have gone to the holding company system.

There are valid and beneficial economic, social and legal advantages that can accrue to many insurers in a holding company system. These advantages would also benefit the policyholders as insurers are able to increase underwriting capacity and to provide a broader spectrum of services. Nevertheless, there should be effective state supervision of insurers in their relationship with holding companies. Such supervision is a proper and natural extension of the responsibility of state regulatory authority to assure, in the public interest, the solvency of the insurer and the protection and fair treatment of policyholders.

The business of insurance has long been recognized as so affected with the public interest as to require extensive and detailed regulation. The objective of insurance regulation is to assure the solvency of the insurer and to protect the interests of the policyholder. The model holding company act is a logical extension of this broad regulation.

The Act is designed to provide a framework for the control of insurance holding company activities through registration of the insurance company with the District of Columbia and regulation by the District of the insurers' transactions with the other members of the holding company system. To avoid conflicting or multiple state regulation, responsibility is vested exclusively in the District, and registration in the District is required only of domestic insurers and those foreign insurers whose states do not have similar legislation.

The regulatory framework is predicated upon full and complete disclosure of all significant transactions between an insurer and its parent, subsidiaries and sister companies. These transactions must be reported according to accepted accounting principles and must adhere to specified standards of fairness and reasonableness. The Superintendent may examine the insurer's books and he may direct the insurer to produce any necessary records of other members of the holding company system.

Recognizing that diversification through subsidiaries is not inconsistent with the public interest, the Act permits insurers to invest additional amounts in subsidiaries, provided always that remaining surplus is adequate to protect policyholder interests. Tests for determining whether remaining surplus would be adequate are included.

Any person attempting to take control of or to merge with an insurer must disclose to the Superintendent relevant information about both himself and the takeover transactions, and the soliciting material must be filed prior to its use. The Superintendent may disapprove any attempted acquisition of or change in control over an insurer if the takeover party could not satisfy specific standards designed to protect the interests of policyholders, shareholders and the public.

H.R. 7218 will serve a two-fold purpose. First, it will provide a framework for a District of Columbia insurer to enter a holding company system and once it has done so, it will avoid the duplication of registration in every state where the insurer is licensed which has similar legislation. Secondly, the safeguards that are included will provide adequate protection for the policyholders and the shareholders. For these reasons, the Companies listed above support this legislation and earnestly request its passage.

On behalf of these Companies, I wish to express my thanks to the Chairman and members of the Committee for the opportunity to present our views.

The CHAIRMAN. Mr. Murphy, please proceed.

H.R. 5686 AMENDS TWO ACTS

Mr. MURPHY. The Motor Vehicle Safety Department amends two Acts: the Safety Responsibility Act and the Traffic Safety Act of 1925.

First of all, it amends both statutes as to comport with a very recent opinion of the U.S. Supreme Court. It requires hearings prior to the suspension of an operator's permit in all cases.

The CHAIRMAN. The statute is being amended to conform with what is proper law?

Mr. MURPHY. That is correct. Title II permits issuance without charge to police officers and the fire department employees of drivers' licenses which would otherwise be required of nonresident firemen and police, who are required to have such permits for no other reason than they are employees of those two departments.

The third title makes several changes in the registration.

The CHAIRMAN. Those would be in the nature of housekeeping.

Mr. MURPHY. Housekeeping changes, and the fourth title would amend the act to permit the department to throw away a lot of old records which no longer have any value whatsoever. These are judgments entered against people 35 or 40 years ago. Under present law, even though the judgments have expired as to time, they cannot be dispensed with.

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

Is there anybody else here who desires to testify either in favor or in opposition to H.R. 7218 and H.R. 5686?

If not, that concludes the hearings on those two bills.

The CHAIRMAN. We will now go to the police, fire, and teachers pay bill. Our first witness is the Honorable Walter E. Washington, Mayor of the District of Columbia.

**STATEMENT OF WALTER E. WASHINGTON, MAYOR-COMMISSIONER,
DISTRICT OF COLUMBIA; ACCOMPANIED BY COMER S. COPPIE,
SPECIAL ASSISTANT TO THE MAYOR FOR BUDGET AND FINAN-
CIAL MANAGEMENT; AND STANLEY EHRlich, PERSONNEL
OFFICE**

Mayor WASHINGTON. Mr. Chairman, I have Mr. Coppie with me. I also have a brief statement, Mr. Chairman, which will deal with the legislative history of the pay bills up to this point. I felt that I should be here to give some guidance in terms of where I am and the legislative history will, I think, justify the position that we have taken. So I will go forward with my brief statement.

Mr. Chairman and members of the committee, it is my pleasure to appear today to discuss with you the proposed pay increases for the city's police officers, firemen, teachers, and school officers.

I know you are familiar with the city's proposals and Mr. Coppie, my Special Assistant for Budget and Financial Management, has a statement which fully addresses the important points raised by the various proposals which are before this committee. As a preface to his remarks, however, I thought it would be appropriate if I make a brief statement.

Throughout my administration I have worked for and fought for the type of salary levels which provide the District of Columbia with the finest public servants. I think that with the full cooperation of this committee and the Congress we have been successful in obtaining salary levels and increases which have enabled the city to attract and keep the type of quality police officer, fireman, and teacher that we can be proud of.

FAIR, EQUITABLE, AND COMPETITIVE PAY INCREASES

I continue to be committed to this effort. Accordingly, when work began on our budget and financial plan for fiscal year 1975 I directed that a tight program, which did not call for tax increases, be prepared but that it include provision for fair, equitable, and competitive pay increases for police, firemen, and teachers. As you know, the city's budget and financial plan for fiscal year 1975 included these salary increases. Parenthetically, I would point out that the financial plan that has been approved by the House Appropriations Committee Subcommittee for the District of Columbia does provide the reserve to fund potential salary increases. The city's proposals for pay increases which are before this committee represent our sincere effort to continue to provide attractive salaries and to be prepared to pay for them within our financial plan.

CONGRESS SHOULD AUTHORIZE NECESSARY REVENUE

We are faced today, Mr. Chairman, with a situation which no one could fully predict. I think we all know that the action which the House Committee on the District of Columbia took last week represents the type of commitment to our police officers, firemen, and teachers which we have worked to establish over the years. At the same time, as the Mayor of this city, I have a responsibility to all of our citizens. It has, therefore, necessarily had to be my position, that if the Congress determines that salary increases above those proposed by the city are desirable, then the Congress should also authorize the necessary revenue to pay for those increases.

The city is in a position to do only so much. We have already tightened our belts. As you are well aware, our taxes are already at about the same level and even above those of the surrounding jurisdictions. We have tried to avoid the practice in past years of tying pay increases to tax increases.

I stress this point, Mr. Chairman, because I think it is important that all concerned recognize the full commitment which I have had and continue to have to provide appropriate salary increases. We did our best to plan for increases this year and to fund them in a responsible way. The Congress has taken jurisdiction in this area and if the Congress provides salary increases for policemen, firemen, and teachers beyond what the city has proposed, then we must seek additional revenue help from the Congress.

COLLECTIVE BARGAINING PROCESS

Our record on pay increases is very good. We have developed a collective bargaining process in the city which has been able to provide the appropriate salary increases and the necessary management tools

and do so within our ability to pay for the increases. Our success has enabled the District of Columbia to provide continuous high quality public service. We have been able to avoid the types of crises which have arisen in a number of cities in this country. We are doing everything we can to perpetuate this record of accomplishment.

Mr. Chairman, I hope these few words have set the framework within which this committee can take action on the proposals before it. Members of my staff are here to discuss these matters in further detail and to answer your questions.

Thank you for this opportunity to testify.

Mr. Chairman, I wish to remind you that at the last round that we had before you on this same matter that we are discussing, it was at that time that you urged that we not let the firemen, the teachers, and the policemen bear the burden of a tax increase, but that we plan for it.

BUDGET IN A PRECARIOUS POSITION

Mr. Chairman, I would also intend to clarify what I am saying in my prepared statement. I suspect that the question that is raised from what I have said is: Where am I now with respect to these increases? I think that is a fair and legitimate question, and I anticipate your asking it. I would like to say this: That I believe that the city and its budget, as it has been suggested by some recent editorials is in a most precarious position.

Congress on the one hand has taken jurisdiction in terms of setting certain increases, at least on the House side, without revenue support.

The revenue support there was a tax which we did not offer as a parking tax, and of course that diminished when they removed the tax for theaters, and so forth, leaving us with about \$1.2 million to finance an average of \$14 million.

COULD SUPPORT INCREASES

This seems to me that I could well support the increases. I think the increase in this bill—this bill before the Senate is around 15%. The others are 16% and 13%. I would like to be in a position, Mr. Chairman, to support those increases in terms of taking a position of recognizing the facts of life, and recognizing the circumstances that we are in. I would like to take that position with the understanding that this committee, Mr. Chairman, would help us concretely to find the funding for it. I ask that here because you have always taken that position.

You have recognized this in a most responsible way. I am not just talking in this frame because of the climate of the times, but we would be in this situation in any event.

Last year we were in this situation, and we were able to work out of it. This year, we are at a \$14-plus million shortfall. For me to simply say, yes, I want to do this, without adding the rest of it, I think would be irresponsible.

I want to do what I can for the policemen, and the firemen. I am willing to move from my position of 10 percent with some help which is concrete, and I am not talking about a parking tax at \$1.5 million.

POSITION ON INCREASES

The CHAIRMAN. Would it be fair to say that you think on the basis of equitable merit that the policemen, firemen, and teachers are entitled to salary increases, however, as the Mayor, you cannot bankrupt the city in order to provide those increases, and you believe since Congress is going to play a role in raising these salaries that we ought to play a financial role as well?

Mayor WASHINGTON. That is exactly my position, Mr. Chairman.

You stated it as well, if not better than I could, but I do it a little emotionally because of the position I am in.

The CHAIRMAN. I share your position, and I do it not only out of interest for the District of Columbia, but you might be interested to know that this very precise situation is in my home city of St. Louis.

We have a very bizarre setup there dating back to the Pendergast era. The Missouri Legislature took jurisdiction over the St. Louis and Kansas City police departments—took jurisdiction away from the mayors and the councils of those respective cities, and set up a system whereby the Governor appoints the police boards of both St. Louis and Kansas City. They also passed a State law mandating that whatever budget either of those police departments submitted to the city councils of those respective cities, that budget had to be paid, and put in no revenue-raising procedures. Thus in St. Louis when the police department submits its budget—it becomes automatic. Then the mayor and the board of aldermen of St. Louis have to try to fulfill that budget by either closing another city hospital, closing a park, doing whatever is necessary, because under State law the police budget is preemptive. In a sense, although not directly analogous to your position, it is analogous to the dilemma which you face. That is why I am very sympathetic to your position.

Mayor WASHINGTON. I appreciate that, Mr. Chairman. I had to present that position, because I do not think it is fair to the policemen, the firemen, and the teachers to be in the middle and to be pawns. As you were saying last year, having a bunch of little taxes, raised a penny here, a penny there, and creating an adverse situation in the city with respect to them, or having to cut back on some program in order to enable this kind of raise to go through. I think we ought to face it full square.

HELP FROM CONGRESS

I have always proposed an increase. Congress has gone beyond our limit. I think I am prepared to accept a position of the increase that is suggested with some help from the Congress, and that, Mr. Chairman, is where I am.

The CHAIRMAN. As far as I am concerned, that help will be forthcoming from the Congress. I, and this committee, will do all we can.

Mayor WASHINGTON. I think under those conditions, Mr. Chairman, the police, fire, and teachers can move forward together, and with the committee willing to help as you have indicated, I feel very comfortable about it.

The CHAIRMAN. Let me ask a few questions of Mr. Coppie.

I remember that Mr. Coppie, in earlier hearings on police, fire, teachers, and so forth, used to have some charts.

COMPARISON OF SALARIES

How does the police salaries in the District of Columbia compare to Montgomery County, Fairfax, and so forth?

Mayor WASHINGTON. Mr. Chairman, we also have here Mr. Ehrlich, and perhaps he can answer your question.

Mr. EHRlich. I am Mr. Ehrlich from the personnel office. In our effort to have for you the latest information time did not permit bringing up to date the figures, however, right now the starting salary is \$10,000 for police.

The CHAIRMAN. This is the present starting salary?

Mr. EHRlich. Yes. We are in sixth place among the six local suburban jurisdictions.

The CHAIRMAN. Is Arlington in first place?

Mr. EHRlich. Yes.

The CHAIRMAN. Will you submit all of those for the record?

Mr. EHRlich. Yes, sir.

The CHAIRMAN. What about the firemen?

Mr. EHRlich. For fire, we are also in sixth place.

The CHAIRMAN. You are in sixth place for firemen?

Mr. EHRlich. Yes.

The CHAIRMAN. And teachers?

Mr. EHRlich. For teachers, we are third, at a minimum salary for the bachelor's degree.

The CHAIRMAN. Minimum salary, bachelor's degree, the District of Columbia under the present setup is \$8,770?

Mr. EHRlich. Yes, sir.

The CHAIRMAN. These figures that you have before you are for the 1974-75 school year?

Mr. EHRlich. That is correct.

The CHAIRMAN. Those salaries in Alexandria and Arlington are established for that school year?

Mr. EHRlich. Yes, sir.

The CHAIRMAN. For the forthcoming school year?

Mr. EHRlich. Yes, sir.

The CHAIRMAN. Please submit those figures for the record also.

On the maximum range, that is, you gave us the figures for the minimum range, but on the maximum range, you are considerably worse off.

For instance, your maximum range at the present time in the District of Columbia for a B.A. is \$13,615.

Mr. EHRlich. Yes, sir.

The CHAIRMAN. And that puts you in last place, except for Falls Church.

Mr. EHRlich. Falls Church and Montgomery County. We are in fifth place.

The CHAIRMAN. And we have the comparable statistics that will be made a part of the record with respect to those matters, both minimum and maximum ranges.

On minimum range, you are in fifth place.

Mr. EHRlich. Fifth place for minimum, and seventh place for the maximum range.

LAST PAY RAISE

The CHAIRMAN. When was the last pay increase given to police, fire, and teachers?

Mr. COPPIE. May of 1972. It was approved in August of 1972, but retroactive to May of 1972.

The CHAIRMAN. It became operative in August of 1972?

Mr. COPPIE. The public law was August of 1972.

INFLATION

The CHAIRMAN. So this was almost precisely 2 years ago during which time inflation alone has increased close to 15 to 20 percent.

Mr. COPPIE. About 17 percent.

The CHAIRMAN. If you multiply 17 percent by your current salary scale, would that be close to the figures about which we are talking?

The point I am making is: Is the increase that is being suggested by the House fairly close to just an increase which would cover inflation, or is there a little extra beyond 17 percent?

Mr. COPPIE. It is a little less than 17 percent—16 percent in the case of police and fire.

The CHAIRMAN. So if we would grant these pay increases and fund them with Federal money, they would still be a little less off with their raises than they were 2 years ago by reason of inflation?

CONSUMER PRICE INDEX

Mr. COPPIE. Well, assuming the validity of the Consumer Price Index in relation to the question; yes.

The CHAIRMAN. Is there any doubt that it is the word of the Lord?

Mr. COPPIE. There is doubt among economists with regard to the question.

The CHAIRMAN. Wouldn't you say that generally economists do place some reliance on the Consumer Price Index?

Mayor WASHINGTON. Mr. Chairman, I would accept that as a valid proposition.

The CHAIRMAN. That is all I have, Mr. Mayor.

Thank you very much.

Mayor WASHINGTON. Mr. Chairman, I want to reiterate my thanks for your offer, as you mentioned just a moment ago, for some Federal help. We come out this morning, I think, a little closer to reality. I am hoping that we can move forward expeditiously with the pay aspects of the bill, so that these dedicated employees may receive these increases which I think they are fully entitled to, and finding myself in a position to go along with your help, leaves all of the employees and the mayor's office fighting for the same thing.

OTHER CONTRACTS

The CHAIRMAN. For the record, it should be noted that after great study, because it was a very complicated contract, the U.S. Steel Workers' contract negotiated with big steel—Bethlehem, United States Steel—averages out at 15.5 percent a year for the next 3 years. In the construction trades some of the contracts just recently negotiated come close to 20 percent a year.

I cite that as a fact of current negotiations. Let us face it: Policemen, firemen, and teachers have to pay rent, buy clothing, buy food, and pay exorbitant gasoline prices, just as anyone else does—whether he is a steelworker, or a bricklayer. Inflation is with us, and there is only one way for the man and women who brings home the paycheck to cope with it, is to have some kind of ameliorating pay increase that helps at least to compensate for the increased costs they have to assume.

Mayor WASHINGTON. The reason I have focused as I did, was that I was left in a box by having planned for, and then having the Congress take jurisdiction on one side, which was to go with the increases, and leave me holding the bag virtually on the other side of where it is coming from.

SUPPORTS INCREASES

Your statement this morning is exceedingly helpful. It permits me then to realistically face the issue which is before us, and support the increases at 16 percent and 13 percent. And then let us find the money so that we do not bankrupt the city. Throw the load on the taxpayers, and keep the employees from being pawns for people reacting because something has happened. That is pure and simple how I arrived at my position this morning.

The CHAIRMAN. Thank you, Mr. Mayor and gentlemen.

Mayor WASHINGTON. Thank you, Mr. Chairman.

[The material supplied by the District of Columbia government follows:]

STATEMENT OF
COMER S. COPPIE,
SPECIAL ASSISTANT TO THE MAYOR-COMMISSIONER
FOR BUDGET AND FINANCIAL MANAGEMENT
ON
PROPOSED LEGISLATION TO INCREASE SALARIES
FOR DISTRICT POLICE OFFICERS, FIREMEN, AND TEACHERS
BEFORE
COMMITTEE ON THE DISTRICT OF COLUMBIA
UNITED STATES SENATE

July 25, 1974

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to appear on behalf of the District Government to discuss the city's proposals and S. 2829 to increase salaries for police officers and firemen. I would also like to discuss the city's pay proposals for teachers and school officials and to call the Committee's attention to the District's proposed amendments to the Police and Fire Retirement Act to strengthen administration of the service-connected disability retirement provisions.

I will begin by discussing the policies followed by the District Government in developing the salary increase proposals and then describe the recommendations for police officers and firemen and for teachers and school officials.

Salary Policies

The District's policies for determining appropriate salary levels for police officers, firemen and teachers are based on three important factors.

One factor is the city's competitive position in relation to other major U.S. cities, especially East Coast cities, which are most directly in competition with the District in the recruitment and retention of qualified persons. The District's proposed 10 percent salary increases would improve the city's ranking among the 29 largest cities on the basis of starting salaries for all three groups of employees. We believe the recommended pay levels would be highly competitive.

A second factor is the city's competitive position among jurisdictions in the Washington Metropolitan Area. It is the city's goal to set starting salaries for police and firemen above starting salaries in the suburban jurisdictions with comparable entry qualifications. Our proposals to increase pay by 10 percent would achieve that goal.

For Washington's teachers, it is the city's goal to set minimum salaries above the starting pay levels in the suburban school systems and to set maximum salaries close to the highest paid in the area. The District believes salaries for D. C. Public School officers should be close to the highest paid by area school systems. Our proposal to increase pay by 10 percent for school personnel would put the city's teachers at the top of the salary scale in the metropolitan area.

The third factor is comparability with the salaries of classified employees with similar duties and responsibilities. Cumulative increases for police, firemen, and teachers have slightly outpaced increases for District classified employees since July 1966. The recommended 10 percent increase would put police officers, firemen, and teachers farther ahead of classified employees on the basis of the percentage of pay increases over the last 8 years. This advantage will be maintained after the expected October pay increase for classified employees.

Financing Policies

Our proposed pay increases must be considered in the context of the city's policies for financing the Fiscal Year 1975 budget. In formulating the budget, we recognized the need to provide salary increases for police officers, firemen, and teachers and included in our initial estimates of 1975 spending requirements the sum needed for what we believed to be fair, reasonable, and comparable pay raises.

By directing the city agencies to make certain economies, we were able to develop a 1975 financial plan for meeting our essential requirements, including the proposed pay raises, without requesting increases in local tax rates. Almost every major tax rate had been increased within the last several years, and it was our judgment that the city's competitive position in the metropolitan area would be weakened by additional tax increases in the near future.

We wish to underscore the fact that the financing of our proposed salary increases has been included in our 1975 financial plan. We believe that this approach is preferable to one that ties pay increases for specific groups of employees to tax increases.

We believe that the 1975 financial plan is responsible and viable; that it will provide for the continuation of public services without placing a severe strain on the tax base of the District.

The estimated cost of the District's pay increase proposal for police officers and firemen is \$11.4 million for Fiscal Year 1975. This increase can be funded within the proposed financial plan for Fiscal Year 1975, which indicates our determination to consider salary

increases for policemen and firemen within the same budgetary framework applied to all other employees.

The estimated cost for the proposed teachers' salary increase, effective January 1, 1975, would be \$6.6 million for Fiscal Year 1975 and \$11.0 for a full fiscal year. The estimated 1975 cost can be funded within our financial plan.

Salary increases above the amounts we are proposing could not be financed without an additional funding source. If faced with the enactment of higher pay raises, the city will most likely have to seek additional revenue authority while applying strict austerity measures in the execution of the 1975 budget.

Proposed Police and Fire Pay Increases

The salary increases we are proposing for the District's police officers and firemen will provide these employees with levels of compensation that are appropriate and fair; that will place them in a competitive position with respect to the rates of pay for firemen and policemen in other large cities, particularly in the eastern part of the United States, and that will put them in a reasonably competitive relationship with general schedule employees.

For the city's approximately 6,400 policemen and firemen, we are proposing a base pay increase of 10 percent effective July 1, 1974. Under this measure, the minimum or starting rate for policemen and firemen would rise \$1,000 to \$11,000 and other rates, of course, would rise in proportion.

The District's proposal would improve our competitive position with regard to the 29 largest cities and place us at the top of the pay scale in the Washington Metropolitan Area, with one exception.

When compared with pay scales for the nation's 29 largest cities, the District's pay levels for police privates presently rank sixteenth at the minimum salary level and seventh at the maximum non-longevity salary level. The ten percent increase we propose would place the District in a tie for ninth place at the minimum and in first place at the maximum.

Moreover, the \$15,840 maximum non-longevity salary level is supplemented significantly by the addition of five, ten, fifteen or twenty percent of step one of the base of the class or grade for service beyond fifteen years. This provision would increase maximum salaries by an additional \$1100 for a police private with 20 years of service, thus increasing the maximum from \$15,840 to \$16,940.

Current pay levels for D. C. Fire Department privates rank fifteenth at the minimum salary and seventh at the maximum among the 29 largest cities. The recommended ten percent increase would move Fire privates at the minimum to a tie for eighth place and to first place for the maximum non-longevity level.

— We believe it particularly important for the District to be competitive with cities in the eastern part of the United States because of a common recruitment base. Of the thirteen Eastern cities,

the District ranks seventh for the minimum salaries for police and fire privates and third for maximum salaries. The ten percent adjustment proposed would place us in a tie for fourth at the minimum and in first place at the maximum for both groups. Clearly, the ten percent increase would move our police and firemen into a very competitive position with all major cities and especially those in the East.

As stated earlier, it is the goal of the District Government to set salaries for policemen and firemen above salaries in the neighboring jurisdictions. The District now ranks sixth for both police and fire minimum salaries and fourth and third, respectively, for the maximum salaries. The proposed ten percent salary increase would place the District in first place in minimum and maximum salary levels for fire privates. For police privates, the District would be above all jurisdictions but Arlington, which requires police recruits to have 60 hours of college credit -- a requirement not found in any of the other local jurisdictions, including the District of Columbia. The District would therefore rank in first place among jurisdictions with comparable entry requirements.

Comparing the history of pay increases for police officers and firemen with that of salary raises for classified employees, we find that Congressionally approved pay increases for policemen and firemen -- recommendations based on District Government proposals -- equalled 50.4 percent in the period July 1966 to May 1972 while for the period July 1966 through October 1973, classified pay increased by 49.1

percent. If the ten percent increase proposed in the District's draft legislation is enacted, effective July 1, the cumulative difference between increases given police and firemen from July 1966 through July 1974 will be 60.4 percent while increases for classified employees will be some 11.3 percent less.

In contrast to the District's proposals, S. 2829 would provide a 15 percent salary increase for police and firemen effective retroactively to the first pay period after January 1, 1974. It would also require that pay increases in subsequent years would have to be based on the annual percentage change in the Washington Area Consumer Price Index and that the basic pay rates could not be less than those paid in any city of comparable size.

The District Government has indicated by letter from the Mayor to the Chairman its views on S. 2829. We believe that the provisions of S. 2829 are not compatible with the District's salary policies, as outlined earlier in this statement. Instead, S. 2829 would establish automatic pay increases for the future that would be tied to the highest salaries paid by a U. S. city, without regard to any of the factors that form the basis of what the District believes to be an equitable and responsible pay program.

Disability Retirement Provisions

I would like to discuss briefly the District's amendment to the police and fire retirement act. Title II of the District Government's legislative proposal would amend the service-connected disability retirement provisions of the policemen and firemen's retirement and disability act. The amendment would strengthen the administration of these provisions by providing that a policeman or fireman could be retired for service-connected disability only upon the recommendation of the Board of Police and Fire Surgeons and concurrence by the Police and Firemen's Retirement and Relief Board. If the policeman or fireman sought his own disability retirement, he would be required, in the absence of the Board of Surgeons' recommendation, to provide the necessary evidence to show the basis for the retirement approval.

Service-connected disability retirements have accounted for a large percentage of total police and fire retirements for many years. In the three calendar years immediately following enactment of the Policemen and Firemen's Retirement and Disability Act amendments of 1957 (Public Law 85-157), which forms the basis for our present system, 77 percent of all retirements were for service-connected disabilities.

Of the remainder, 6.1 percent were non-service-connected disability retirements and 16.9 percent were optional retirements. The number of retirements, both service-connected and non-service-connected, reached a peak in calendar year 1969, when such retirements represented 98.3 percent of total retirements. Since that time, however, there has been a steady decline in the percentage of disability retirements annually. The rate in calendar year 1973 was 60.1 percent, of which 56.6 percent were service-connected disabilities. Optional retirements rose correspondingly in calendar year 1973 to 39.9 percent of total retirements, the highest annual percentage of such retirements since the police and fire retirement act underwent major revision in 1957. This pattern of improvement continued through the first quarter of calendar year 1974, when optional retirements accounted for 43.6 percent of all retirements.

There is every reason to believe that enactment of the proposed amendments to the service-connected disability retirement provisions will maintain and accentuate this favorable trend. There will be no additional cost to carry out the proposed changes.

Proposed Teachers' Salary Increases

The District of Columbia Government is proposing a 10 percent increase in the basic salaries for D. C. Public Schools teachers and officers.

In our opinion, a 10 percent increase in the salaries of District teachers and school officers recognizes the changes that are currently taking place in school systems in the surrounding jurisdictions and the need to maintain the District's competitive advantage. We will be able to hold our salary advantage in comparison to the six school systems in the surrounding jurisdictions even though the 1974-1975 school year will be the 14th consecutive year that most or all of the systems have increased teachers' salaries. The adjustment we are proposing will provide District teachers and school officers with levels of compensation that are competitive, appropriate, and fair.

We have been advised that local salary adjustments now being considered range from 5.9 percent in Fairfax County, Virginia, to 10 percent in Arlington. Negotiations are still in progress in Alexandria.

With enactment of a 10 percent increase, minimum salaries for District teachers with a bachelor's degree and with a master's degree would be in first place among school systems in the Washington Metropolitan Area. Maximum salaries would rank third for teachers with bachelor's degrees and fifth for teachers with master's degrees.

When compared with the nation's 29 largest cities, the District is in fifth place in terms of starting salaries for teachers with bachelor's degrees, exceeded by Chicago, New York, Philadelphia, and Detroit. If salaries were adjusted by 10 percent, the District would be ranked second nationally, exceeded only by Chicago paying \$10,000.

The pay for our teachers has also kept pace with increases given classified employees as well as other District Government employees. Congressionally approved pay increases for D. C. teachers and school officers based on District Government recommendations totalled 53.1 percent in the period July 1966 to September 1973, while for the period July 1966 through October 1973 classified pay increased by 49.1 percent by comparison. Had the District Government followed solely a policy of parity (i.e., adjusting pay for teachers and school officers by the same percentage increases given classified employees), teachers would be receiving less salary than they now receive. Thus it would appear that the policy of comparability used by the District Government is effectively serving its purpose.

Collective Bargaining and Proposed Pay Increases

The District Government believes that salary levels for police officers, firemen, and teachers should be set within the collective bargaining process, in which other work agreements can also be reached. Because of Congressional legislative schedules beyond our control, the City found it necessary to present its proposals before collective bargaining could produce agreements acceptable to all parties.

The City entered negotiations with those employee groups in good faith and with a pay package that we believed to be equitable, competitive nationally and locally, and fiscally responsible.

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If pay increases are determined outside the collective bargaining process and set above the levels proposed by the District, it is our judgment that the Congress should specifically deal with the severe financial problems that the city will experience as a result. We are prepared to work with the Committee to resolve in a responsible manner the issues raised by the several pay raise proposals.

I thank you for the opportunity to present the District's views on these important salary increase proposals. The staff of the D. C. Personnel Office and I will be pleased to answer your questions.



THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004

WALTER E. WASHINGTON
Mayor-Commissioner

APR 24 1974

The President
United States Senate
Washington, D. C.

Dear Mr. President:

The Government 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".

The proposed bill would provide an average increase of ten percent in the salaries of police and firemen in the District of Columbia and provide for better administration of the Police and Firemen's Retirement and Disability Act.

There are attached a report entitled "Financing Alternatives for the Police and Fire Retirement System", prepared by the District's Office of Budget and Financial Management, and a summary of the provisions of the proposed legislation.

The District Government believes that favorable action on this legislation is imperative in order to provide adequate compensation for police and firemen in the District of Columbia, and, for the reasons stated in the attached "Report on Amendments to the District of Columbia Police and Firemen's Salary Act", we urge early and favorable consideration of this draft bill by the Congress.

Sincerely yours,

A handwritten signature in cursive script that reads "Walter E. Washington".

WALTER E. WASHINGTON
Mayor-Commissioner

Attachment

L&O:GWP:baa
CCL 75/93
4/23/74



THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004

WALTER E. WASHINGTON
Mayor-Commissioner

May 29, 1974

The Honorable
The President
United States Senate
Washington, D.C.

Dear Mr. President:

The Government of the District of Columbia has the honor to submit a draft bill, "To amend the District of Columbia Teachers' Salary Act of 1955, and for other purposes."

The proposed bill would provide an increase of ten percent in the salaries of teachers and other educational employees in the District of Columbia whose salaries are covered by the District of Columbia Teachers' Salary Act of 1955, as amended, effective with the first pay period beginning on or after January 1, 1975.

The District Government believes that favorable action on this legislation is desirable in order to provide adequate compensation for teachers and other educational employees in the District of Columbia, and, for the reasons stated in the attached material, we urge early and favorable consideration of this draft bill by the Congress.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Walter E. Washington".

WALTER E. WASHINGTON
Mayor-Commissioner

REPORT ON POLICE AND FIREMEN'S SALARY ACT
AMENDMENTS OF 1974

I. INTRODUCTION

Salary increases for District of Columbia Police and Firemen were last enacted by Congress on August 29, 1972 retroactive to May 1, 1972 and averaged 17.4 percent. This adjustment increased the beginning salaries for Police and Fire from \$8500 to \$10,000. Public Law 92-410, in addition to providing a substantial increase in police and fire salaries also provided several other significant additions to improve the pay and benefits of District Police and Firemen. First, a longevity provision was enacted which increased the basic salary level for the police and firemen by 5 to 20% of the first step of their class for 15 to 30 years of continuous service. Additional pay for policemen serving as helicopter pilots and in bomb disposal work was provided for the first time as was a clothing allowance for policemen working in plainclothes. The longevity provision is considered a far-reaching salary addition because it recognizes continuous service as a pay factor. It should be pointed out that this comprehensive salary adjustment required funding of approximately 17 million dollars and resulted in the general sales tax being increased from 4% to 5% as well as an increase from 5% to 6% in the tax on hotel rooms and similar accommodations and liquor sales and restaurant meals.

The adjustment moved the District's competitive position from 16th place to 8th place in comparison with cities over 500,000 population for police privates and from 19th place to 7th place in comparison with those same cities for the fire private. Locally the District of Columbia Government, which was in last

place when compared to the beginning rates for both policemen and firemen, moved to first place and satisfied the District's salary policy which provides that the rates of pay for District policemen and firemen shall be in a highly competitive position nationally, be the highest rates paid in the local jurisdictions and that the salary levels for police and fire officials be competitive with positions of similar duties and responsibilities under the General Schedule.

Current Competitive Position

As a preliminary to the formulation of the F.Y. 1975 budget the D.C. Personnel Office in conjunction with the Office of Budget and Financial Management in April 1973 developed projections of pay raises for District of Columbia Government employees, including policemen and firemen, in order to plan for such increases in the financial plan for the 1975 F.Y. Specifically it was the objective to preclude another tax increase which usually had been required to fund salary adjustments for policemen and firemen and D.C. teachers and school officers. Several factors were considered in the formulation of these projections. First, was the uncertainty of the wage stabilization program which at that time maintained a 5.5% pay adjustment ceiling; second, the impact of inflation on the value of present income; third, the competitive salary position of public employees through the strength of collective bargaining; fourth, the ability of local government to finance salary increases in light of a dwindling tax base without shifting the burden to the individual local taxpayer; and last, the pressure of rising public employment and its cost.

The impact of union organizing, which was going on in the Police Department, had an immediate effect on the attitude toward salary adjustments for police salaries in early April of 1973 with the introduction of H. R. 6731 - a bill which introduced the crime rate as a factor in adjusting salary levels for policemen. Three different police associations then competing for recognition also demanded a system of automatic future pay raises ranging from parity with General Schedule increases to adjustments based on rises in the Consumer Price Index. The cost of these proposals was estimated to reach upward to 51 million dollars for Fiscal Year 1975 and as much as 73.5 million dollars for a full fiscal year, without any attendant methods of financing.

Also during the period of salary projection formulation, the Bureau of Labor Statistics issued its annual report indicating that Police and Fire salaries at the minimum levels had increased by approximately 5.6% in 1972, slightly below the increases of a year earlier and well below the 8 to 10% rises in 1968 and 1969. Inflation was advancing at a rate of between 5% and 6% per year and with the addition of the wage price controls in effect it was anticipated that for F. Y. 1975 the District should consider an increase averaging 10% for its policemen and firemen.

It should be noted also that we believed the competitive position of the District with regard to comparability comparisons with the nation's largest cities and the Washington Area local jurisdictions could be maintained within

the scope of our salary policy with this 10 percent adjustment. As of the date of this report the competitive position of the District in comparison with these large cities and local jurisdictions is as follows:

Nationally for the Police private, the District ranks 16th at the minimum and 7th at the maximum among the 29 largest cities. Locally we rank 6th in comparison with the five other local jurisdictions for the minimum and 4th at the maximum. For the Fire private, the District is 15th in comparison with the 28 other large cities at the minimum and 7th at the maximum and locally District firemen rank 6th at the minimum and 3rd at the maximum. We believe the 10% pay increase will maintain the integrity of the salary structure, still recognizing the serious cost-push inflation and its impact on wage levels of policemen and firemen.

II. DISTRICT'S AMENDMENTS TO THE POLICE AND FIREMEN'S

SALARY ACT

A. Restatement of 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. In accordance with these objectives the following principles have been used as guides:

1. Rates of pay for D. C. policemen and firemen should be in a favorable competitive position with the rates of pay for policemen and firemen in the nation's largest cities, especially those cities in the eastern part of the United States;

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 on the basis of comparable duties and responsibility; and,

3. Rates of pay for District policemen and firemen should be higher than the rates of pay for policemen and firemen in the suburban jurisdictions surrounding the city.

This comparability theory considers all aspects of the factors which influence pay whether it be cost of living adjustments, general pay increases, or a combination of these. We believe that the policy established for policemen and firemen has been able to meet the tests of a successful wage administration program. This can be demonstrated by the level of salary increases given policemen and firemen in comparison to those given classified employees, as well as the extremely low turnover rate in both the Police and Fire Departments. In the first instance, Congressionally approved pay increases for policemen and firemen, based on District Government recommendations, totaled 50.4 percent in the period July 1966 to May 1972, while for the period July 1966 through October 1973 classified pay increased by 49.1 percent by comparison. If the ten percent pay increase proposed in the District's draft legislation is enacted, effective July 1, 1974, the cumulative difference between increases given policemen and firemen from July 1966 through July 1974, would be 60.4 percent while increases for classified employees would be some 11.3 percent less. Retention of employees is also an indicator of the effectiveness of any salary policy. In Fiscal Year 1974, the turnover rate for police was 9.9 percent and 6.6 percent for firemen. Judging from these positive indicators, it would appear that the policy of comparability used by the District Government is effectively serving its purpose -- to aid in attracting and retaining by means of competitive salaries qualified, dedicated policemen and firemen.

B. Legislative Recommendations

The salary adjustment proposed by the District Government to the Police and Fire Salary Schedule is ten percent effective July 1, 1974, adjusting the minimum rates for a policeman and fireman from \$10,000 to \$11,000 per annum. (The draft legislation also provides a proposal for strengthening the administrative procedures associated with disability retirement.)

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

The District Government has never used the parity concept to establish salary levels for its various employee groups, as is done in other major cities such as New York and Philadelphia. This parity relationship frequently results in the strongest employee group imposing the pay standard by which the others automatically benefit. The District follows the precept that each pay group must stand alone and justify its own pay levels based on the principles previously set forth. If parity with the classified system had been the sole determinant, then increases for policemen and firemen since 1966 would have only totaled 49.1 percent rather than the 50.4 percent to date and the 60.4 percent as of July 1, 1974 if the Congress should enact the District's proposed legislation. However, the fact that some of the criteria which influence Federal classified employees 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 uniform 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. Comparison of the District's proposed salary schedule with the current classified General Schedule indicates a very close relationship between the benchmark positions at the ranks of sergeant and above.

The amendments to the Police and Fire Salary Act enacted in 1972 allowed for the recognition of continuous service for pay purposes. Five, ten, fifteen and twenty percent adjustments based on step 1 of a policeman or fireman's salary class were provided for service of 15 to 30 years with the Police or Fire Department. This salary benefit, in addition to the scheduled rate of pay, provides District policemen and firemen with a highly competitive and equitable salary structure. Therefore, the proposed salary adjustment of ten percent would achieve the goal of maintaining reasonable alignment with the classified system.

D. Competitive Salary Position With the Nation's 29 Largest Cities and Local Area Jurisdictions

1. National ranking. Attached are charts 1A and 1B, which illustrate the current 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 across the country. Among the nation's 29 largest cities, District Police privates presently rank 16th at the minimum

salary and 7th at the maximum non-longevity. D. C. Fire privates now rank 15th at the minimum and 7th at the maximum.

We believe it is important to be particularly competitive with cities in the eastern part of the United States because of a common recruitment base. Of the 13 eastern cities, the District ranks 7th and 3rd respectively, for the Police and Fire private minimum and maximum. The ten percent adjustment proposed by the District would place us in a very competitive position with all major cities and especially with those in the East. Nationally, our Police privates would move to a tie for ninth ranking at the minimum and first at the maximum; Fire privates would be tied for 8th at the minimum and would rank first at the maximum non-longevity. With respect to the eastern cities, the 10% increase would raise both Police and Fire privates to a tie for 4th at the minimum and 1st at the maximum.

2. Local Ranking. Charts 2A and 2B reflect our current competitive position among the 6 local area jurisdictions. As we have stated in our salary policy, it is the position of the District Government that the salary levels for policemen and firemen should rank at the highest with regard to the local jurisdictions. Comparison shows that the District now ranks in 6th place for Police and Fire minimums and 4th and 3rd respectively, for the maximum salaries. Application of the proposed 10% salary increase would place the District in 2nd place in minimum and maximum

salary levels for Police privates and in 1st place for Fire privates. It should be noted, however, that Arlington, which ranks 1st at the Police minimum, requires 60 hours of college credit for new recruits.

In summary, three significant factors emerge concerning the District's proposal to increase Police and Fire salaries by 10%. First, the District will be increasing Police and Fire pay approximately 11% more than classified employee salaries cumulatively since July, 1966 through July, 1974. Second, salary levels paid for ranks above private will be in reasonably competitive alignment with similar jobs under the General Schedule. Third, the application of the District's proposal would improve our competitive position with regard to the nation's largest cities and place us at the highest with respect to the local jurisdictions in the Washington Metropolitan Area. It is apparent that the District Government is maintaining equity with regard to the salaries and benefits provided its policemen and firemen.

The estimated cost of the District's pay increase proposal is \$11.4 million for F. Y. 1975. It can be financed within the proposed financial plan of the District Government for F. Y. 1975. This indicates a responsibility on the part of the District Government to consider salary increases for policemen and firemen within the same budgetary framework as it does for other employees. The levying of special taxes to finance

Police and Fire pay raises establishes an adversary relationship with the community and supports the criticism leveled by Police and Fire employee groups that their pay raises are always tied to increases in taxes while increases for other District Government employees are budgeted in advance. We are pleased to submit proposed pay legislation that is both equitable and fiscally responsible.

E. DISTRICT'S AMENDMENTS TO THE POLICE AND FIRE RETIREMENT ACT

Title II of our legislative proposal would amend the service-connected disability retirement provisions of the Policemen and Firemen's Retirement and Disability Act. The amendment would strengthen the administration of these provisions by providing that a policeman or fireman could be retired for service-connected disability only upon the recommendation of the Board of Police and Fire Surgeons and the concurrence therein by the Police and Firemen's Retirement and Relief Board; except that if the policeman or fireman seeks his own disability retirement, he would be required, in the absence of the Board of Surgeons' recommendation, to provide the necessary evidence to form the basis for the retirement approval.

1. Background

Service-connected disability retirements have for many years accounted for a large percentage of total Police and Fire retirements. In the three calendar years immediately following enactment of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 (Public Law 85-157), which forms

the basis for our current system, 77% of all retirements were service-connected disabilities. Of the remainder, 6.1% were non-service connected disability retirements and 16.9% were optional retirements. Disability retirements, both service-connected and non-service-connected, reached their peak in Calendar Year 1969 when they represented 98.3% of total retirements. Since that time, however, there has been a steady decline in the percentage of disability retirements annually. The rate in C. Y. 1973 was 60.1%, of which 56.6% were service-connected disabilities. Optional retirements rose correspondingly in C. Y. 1973 to 39.9% of total retirements, the highest annual percentage of such retirements since the Police and Fire Retirement Act underwent major revision in 1957. This pattern of improvement has continued through the first half of C. Y. 1974. During this period, retirements occurred in the following proportions:

<u>Type of Retirement</u>	<u>Percentage</u>
Optional	43.3
Service-connected Disability	50.7
Non-service-connected Disability	<u>6.0</u>
	100.0

2. Anticipated Impact of Proposed Amendment

The reasons for the large percentage of service-connected disability retirements in past years have been well documented in earlier reports. The reasons for the dramatic reduction in such retirements in recent years are two-fold. One is the liberalization of the optional retirement benefits in 1970 (P. L. 91-509). The age 50 requirement for retirement eligibility was dropped; the annuity computation was increased from 2% to 2.5% of salary for each year of service; and the annuity minimum-maximum range was raised from 40% - 70% to 50% - 80%. Two years later, P. L. 92-410 added the crediting of unused sick leave for optional retirement annuity computation purposes. The second reason for the reduction in service-connected disability retirements is the tightening of the procedures for administering the Police and Fire Retirement Act. This has been a joint effort on the part of the Police and Fire Departments and the Police and Firemen's Retirement and Relief Board.

The proposed amendment is expected to further reduce the percentage of service-connected disability retirements by broadening the responsibility of the Board of Police and Fire Surgeons with respect to cases it submits to the Retirement Board for disability retirement consideration. Presently, the Board of Surgeons is required only to express an opinion regarding the physical and/or mental condition of a prospective disability retiree. Under

the proposed amendment, the Board of Surgeons would be required to recommend for Retirement Board consideration only those cases for which it can medically support permanent disability. In addition, the proposal would place the burden of proof on policemen and firemen who seek their own service-connected disability retirement without Board of Surgeons endorsement. Currently, the burden of proof that such cases are not service-connected disabilities generally rests solely with the Retirement Board.

In summary, there is every reason to believe the continuing reduction in the percentage of disability retirements will be enhanced if the proposed amendment to the service-connected disability retirement provisions of the Police and Fire Retirement Act is approved. The annual reductions in the recent past and those anticipated under the proposed amendment precludes the need to revise the existing disability retirement benefits provided under the Act. Enactment of the proposed amendment will require no additional cost.

STATEMENT OF PURPOSE AND JUSTIFICATION FOR INCREASING THE
SALARIES OF D. C. TEACHERS AND SCHOOL OFFICERS

I. INTRODUCTION

Salaries for District of Columbia teachers and school officers were last increased in September 1973 by Public Law 92-518. That law increased salary levels in two steps, an average of 12 percent, and thereby established a highly competitive pay scale for District teachers in relation to salaries paid other teachers in the Washington Metropolitan Area. In addition, the \$8770 starting salary for District teachers with a Bachelor's Degree ranks nationally in the upper quartile of the nation's 29 largest cities. In the following text, current trends in salary and the status of salary levels for teachers will be examined.

II. RESTATEMENT OF SALARY POLICY

The question that is frequently asked during a period of high inflation is why shouldn't salary levels be established in accordance with changes in the Consumer Price Index. We believe that any relationship with only one economic indicator places the District Government in a position where it would ignore comparable salaries being paid locally as well as nationally for teachers. Use of the Consumer Price Index as the sole indicator for salary adjustments will be discussed later in this report; however, it should be noted here that there is a growing body of controversy concerning the accuracy of the Consumer Price Index to meet all of the demands called

upon it, especially in the light that it reflects buying habits which were first set in 1963. Therefore, the District Government believes that for the purpose of setting salaries for District teachers and school officers, the following policies should continue to be used as general guides:

- (1) That the minimum salaries for District of Columbia public school teachers should be significantly higher than minimum salaries paid by school systems in the Washington Metropolitan Area; that the maximum salaries for District public school teachers should be close to the highest rates paid in the area; and that salaries for District school officers should be close to the highest salaries paid by school systems in the Washington Metropolitan Area. Because suburban areas provide other advantages, such as savings in travel time and fewer socio-economic problems, large city school systems must be able to offer a competitive salary if they are to attract and retain capable and enlightened teachers and school officers. For the District Government to pay the same as that paid by local school jurisdictions would place us at a decided competitive disadvantage since a young teacher would generally prefer to teach in a suburban school system if there were no difference in salary as an attractor.

- (2) That salaries of District of Columbia school teachers and officers should be in a very favorable competitive position with those of the nation's largest cities, particularly those cities which are likely to recruit personnel from the same areas as the District (e.g., Philadelphia, Pittsburgh, Baltimore and New York). The next few years are vital, and there is every likelihood that key administrative personnel will continue to be sought from outside of the District's public school system and certainly key administrative personnel in our own school system will be highly sought by others.

These policies are important because they establish sound guidelines for salary administration and set a logical basis for providing competitive salaries for our educational employees.

III. CURRENT COMPETITIVE SALARY POSITION OF DISTRICT TEACHERS

A. Local Jurisdictions

The District proposes to increase the salary levels for its teachers and school officers by an average of 10 percent. We believe that we have been able to hold our salary advantage in comparison to salaries paid beginning teachers by the six local systems (Alexandria, Arlington, Fairfax, Falls Church, Montgomery and Prince George's) even though the 1973-74 school year was the thirteenth consecutive year that most or all of the local school systems

increased teachers' salaries. Table 1 below depicts the five-year trend in teacher salaries locally and demonstrates that the District has held a competitive advantage for the school years 1970-1971 through 1973-74. In addition, you will note in the column headed 1974-75 that even without a salary adjustment for the next school year, the District Government would still maintain a competitive salary position in comparison with the local jurisdictions. A 10 percent adjustment would place District teachers at \$9650 per annum to start, which is almost \$600 higher than the next highest paying jurisdiction. Because of this salary advantage, we believe that an effective date of January 1, 1975, would be appropriate. The increase in the Washington Metropolitan Area Consumer Price Index is expected to total about 10 to 11 percent for the year ending August 1974. The District's proposal, 10 percent effective January 1, 1975, attempts to balance our local and national competitive positions, the anticipated increase in the cost of living and our ability to pay for the increase within the framework of our proposed financial plan for F. Y. 1975.

Table 1. Five-Year Trend in Salaries Paid to Beginning Bachelor's Degree Teachers by School Systems in the Washington Metropolitan Area.

<u>School System</u>	<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>
Alexandria	\$7250	\$7550	\$7850	\$8285	\$8799
Arlington	7000	7575	7826	8217	9055
Fairfax	7200	7350	7600	7900	8350
Falls Church	7250	7550	7800	8100	8600
Montgomery	7250	7615	7880	8101	8668
Prince George's	7175	7600	7828	8080	8646
Washington, D. C.	7800	7800	8350	8770	8770 ^{/1}

^{/1} Present rate; proposed rate, \$9650.

Chart 3B, attached, depicts the competitive position of the District for the 74-75 school year as well as the comparative salaries under the District's proposal.

B. Trends in the Nation's Largest City School Systems

During the 1973-74 school year, the salary increases granted teachers in the nation's largest cities generally fall within the 5 percent to 5.5 percent salary adjustment range. Of 20 cities reporting the amount of their increases in a recent survey, 15 gave increases of 5.5 percent or less and only five granted raises above this amount. These adjustments of approximately 5 to 5.5 percent cannot be solely attributed to economic stabilization controls, since the four years previous to the 1973-74 school year showed a deceleration of teacher salaries nationally, where average increases advanced approximately 6 percent per year.

Chart 3A, attached, shows that the District currently ranks fifth at the BA minimum among the nation's 29 largest cities, which again indicates that we have been able to maintain our competitive position at or near the top nationally, in conformance with the salary policy described previously.

C. Trends in Beginning Salaries Paid by Industry

The following table (Table 2) provides a comparison of salaries paid to graduates with a Bachelor's Degree in several occupational areas and that of beginning teachers:

Table 2. Average Starting Salaries Offered to Graduates With Bachelor's Degree for Selected Positions in Private Industry, 1974-75. /1

<u>Position</u>	<u>Average Starting Salary</u>
Engineering	\$11,556
Accounting	11,040
Mathematics - Statistician	10,176
Sales - Marketing	9,864
Economics - Finance	9,672
Business Administration	9,072
Liberal Arts	8,892
Teaching - D. C. Proposed	11,580 /2

/1 Salaries are those offered in November, 1973 to individuals who will graduate in June, 1974.

/2 Proposed \$9650 starting salary for the District's 10 month school year annualized.

SOURCE: Frank S. Endicott, Director of Placement, Northwestern University.

As indicated, the proposed \$9650 salary for a beginning D. C. teacher has been annualized in order to make a valid comparison with the other occupations which work on a 12-month basis. The resulting salary of \$11,580 per annum is higher than the top average starting salary for Engineering, which as shown by Table 2, is \$11,556. Another factor to be considered is the average workweek. In private industry, it is generally 40 hours; whereas the average workweek for a teacher in the District of Columbia is approximately 30 hours,

the shortest workweek, incidentally, in comparison with the other teaching positions in the Washington Metropolitan Area.

In summary, three factors emerge which we believe support the District's proposed 10 percent adjustment for D. C. teachers. First, the \$9650 beginning salary, when compared to the local jurisdictions, will be significantly higher in the 1974-75 school year. Second, the District would continue to maintain its competitive position nationally, especially in comparison with those cities in the eastern part of the United States. Third, the proposed salary of \$9650 for a starting teacher in the District of Columbia is highly competitive with the beginning salary being offered to 1974 graduates in occupations in the private sector.

D. The Question of the Longer School Day

An intricate part of the total consideration of salary increases for D. C. teachers is the collective bargaining now taking place between the Washington Teachers Union and the Board of Education. The 6-hour day or 30-hour workweek now in effect for District teachers is an important issue in the negotiations, since the hours of work should also be comparable with those

in the local and national school systems used for salary comparison purposes. Locally, the District has the shortest teacher workday; and, nationally, as reported by 22 other large cities in a recent survey, the third lowest. The District Government supports the bargaining position of the Board of Education that any increase in salary be accompanied by an increase in the workday amounting to an additional 45 minutes per day. This issue was first discussed in the 1971 negotiations. At that time, the union agreed in a letter of understanding to negotiate the issue of a longer school day once salary increase legislation was enacted. Despite increases totaling 12 percent since then, the union has refused to negotiate the issue and only during the present bargaining has it been a matter of consideration. The District is now supporting a pay raise of 10 percent, which would provide teachers a cumulative 22 percent increase in salary since the union's commitment to negotiate the longer school day. We believe that if the integrity of collective bargaining is to be preserved, a longer school day must be negotiated in consideration of any further adjustment in the salary levels for teachers and that the issue must not be taken out of context by enactment of legislation which would only consider pay.

IV. SALARY INCREASES FOR SCHOOL OFFICERS -- SALARY CLASSES

1 THROUGH 14

Accepted practice has been to develop the remainder of the salary schedule for school officers by establishing relationships between salaries of teachers

and salaries of certain "benchmark positions" (i. e., key positions used for comparison purposes) which are found in school systems in other large cities. These ratio or index differentials form the basis for maintaining the proper class relationships. Table 3 below indicates this relationship for certain selected key jobs in the school system.

Table 3. Index Relationship of Proposed Maximum Salaries for Key Jobs as a Percentage of Salary Step 13 for Classroom Teachers with a Master's Degree.

<u>Key Job</u>	<u>Class</u>	<u>Maximum Salary</u>	<u>Index</u>
Teacher	15B	\$17,245 <u>/1</u>	1.00
Assistant Principal	8B	22,075	1.28
Principal, Level II	6B	24,585	1.43
Director, Curriculum	4	28,620	1.66
Assistant Superintendent	3	32,590	1.89
Associate Superintendent	2B	36,000	2.09
Deputy Superintendent	2A	38,000 <u>/2</u>	2.20
Vice Superintendent	1B	40,000 <u>/2</u>	2.32
Superintendent	1A	45,500 <u>/3</u>	2.64

/1 Service Step 13.

/2 Limited to \$36,000.

/3 Limited to \$40,000.

V. PROPOSED INCREASE TIED TO COST OF LIVING

Recently, considerable emphasis has been placed by employee organizations on direct application of the cost of living to provide the basis for salary adjustments and that cost of living be the sole determinant for future adjustments as the Consumer Price Index reaches certain percentage levels. The District Government cannot place itself in a position concerning salary adjustments which would commit it to cost of living or to comparability depending on which system equates more favorably for employees and would provide the higher increase in any particular year. Appendix 1 to this report provides a discussion on the problems involved in using the Consumer Price Index as a sole indicator as presented in a recent article in the April 27, 1974, issue of Business Week. This report states "as more and more people seek protection from the ravages of inflation -- the CPI showed a 1.1 percent rise just last month -- the importance of the indexes will increase. And the spotlight will shine more brightly on their long known deficiencies:

- . Neither index (the Consumer Prince Index or the Wholesale Price Index) adequately reflects changes in the quality of goods.
- . The CPI fails to pick up changes in how consumers allocate their consumption dollars; it still uses the 1963 "market basket" in 1974.

- . Both indexes, but the WPI in particular, rely heavily on list prices rather than the actual prices paid.
- . In neither index is the coverage of the consumer population and the industrial sectors and products broad enough to show an accurate picture."

The article went on to indicate that these shortcomings "may show inflation rising too fast at times and too slowly at other times and that right now most price analysts and economists maintain that the rate of inflation is being overstated."

A study prepared by the D. C. Personnel Office indicates that of 23 large cities, just four reported basing teacher pay adjustments on cost of living changes and among the five local suburban jurisdictions responding to the survey questionnaire, two reported using the cost of living as a basis for setting pay for its teachers. We believe that the 10 percent adjustment proposed by the District Government does not ignore the impact of increases in the cost of living on our teachers. On the other hand it is not the sole indicator for our salary recommendation.

Serious flaws in the popular price indexes

Economic consequences are high now, and so is the argument for revision

Every time there is a 1% rise in the Consumer Price Index, the most widely watched measure of inflation, about \$1-billion in benefits automatically flows to some 50-million persons now protected by cost-of-living adjustments. And with every jump in the Wholesale Price Index, the other headline-grabbing inflation indicator, countless sales and purchase contracts that use escalators based on the WPI or its components are automatically adjusted.

As more and more people seek protection from the ravages of inflation—the CPI showed a 1.1% rise just last month—the importance of the indexes will increase. And the spotlight will shine more brightly on their long-known deficiencies:

- Neither index adequately reflects changes in the quality of goods.
- The CPI fails to pick up changes in how consumers allocate their consumption dollars; it still uses the 1963 "market basket" in 1974 (chart).
- Both indexes, but the WPI in particular, rely heavily on list prices rather than the actual prices paid.
- In neither index is the coverage of the consumer population and the industrial sectors and products broad enough to show an accurate picture.

With these shortcomings, either index or both may show inflation rising too fast at times and too slowly at other times. Right now, most price analysts and economists maintain that the rate of inflation is being overstated. Whichever way the indexes may err, people who are dependent on escalator clauses may be getting more or less than they deserve and, perhaps more important, the government's policymakers may be misled. Robert J. Gordon, a Northwestern University economist who plans soon to publish an exhaustive study of durable goods prices, declares: "Policymakers may act too quickly or not quickly enough, and thereby worsen economic conditions."

Under revision. With both indexes increasing in importance as factors in policymaking and in wages and prices, government officials and legislators are giving a harder look at plans of the Bureau of Labor Statistics to revise both the CPI and the WPI. A full-scale revision of the CPI, the eighth in its 50-year existence, has been under way for sev-

eral years and is now scheduled for completion by early 1977. Revision of the WPI is just in the planning stages, and no timetable has been set.

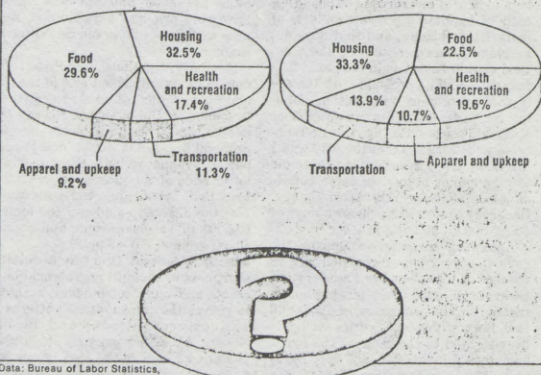
This week the Senate Banking & Currency Committee held hearings that began airing the issues of how accurately the indexes measure inflation and, more specifically, whether price indexes in addition to the CPI should be constructed for more accuracy in the application of escalator clauses.

The most serious problem, as economists and officials see it, is the inability of any of the indexes to make adequate adjustment for quality changes in products. Over time, most goods and

have worked in this area have come up with some startling results. Gordon, for example, gathered data from the Sears Roebuck catalogue and similar sources, adjusting for quality change by applying statistical and mathematical procedures known as "hedonic" techniques and by comparing the prices of different models of the same product. He concluded that prices of durable goods actually declined 10% from 1947 to 1970 while government indexes showed prices almost doubling.

Richard Ruggles, a Yale economist, has reached a similar conclusion: "If we took quality change into account, there was no secular price rise in the period

The consumer market basket



Data: Bureau of Labor Statistics, CPI weights

services have improved in quality, most economists insist. A machine tool, for example, usually does a job faster and at a lower unit cost for labor than its predecessor did, yet it is difficult if not impossible to quantify the saving. Similarly, consumer goods are better than in the "good old days"—the TV set gives a better picture, and the automatic washer cleans clothes more efficiently. Economists have traditionally explained a 1% to 2% annual rate of inflation as due simply to quality improvements in goods.

Against the trends. Difficult as it may be to put dollars-and-cents numbers on quality improvements, economists who

1960 to 1965, and in the period 1966 through 1973 prices have risen about half as fast as the indicators show."

Not all economists agree, however, on the effect of quality change on the indexes. "The impact of quality changes has been terrifically exaggerated," says one dissenter, Jules Backman of New York University. He points out that there has been substantial deterioration of quality in some areas, particularly services.

Unchanged 'basket.' The CPI has another serious flaw that is inherent in any index that attempts to measure over-all inflation: It is unable to detect shifts in spending patterns, so it probably over-

states the rate of inflation. The shifts come not only from changes in consumer tastes and the introduction of new products but more fundamentally from the very fact that the prices of some goods move up faster than other prices.

The weights of the present CPI were assigned in 1963. The index is designed to measure changes in the cost of maintaining the "market basket" of the urban blue-collar or clerical worker

Fixed weights in the CPI exaggerate inflation by ignoring real consumption

as it was in 1961-62, when the most recent over-all survey of spending patterns was made.

Many economists believe that the fixed weights in the CPI tend to give some items of goods and services more importance than current consumption patterns would justify. This, in turn, causes the rate of inflation to be overstated, since the rate is calculated by simply multiplying the price of each item by its weight and then striking an average. To economists, the CPI should be a means of measuring the changing costs of maintaining a certain level of material well-being, and that does not necessarily mean consuming the identical market basket as in the past.

Substitution. "The problem with the CPI is that it ignores substitution possibilities," explains Franklin M. Fisher of the Massachusetts Institute of Technology. "It assumes that the only way I can be as happy as before is to give me enough money to buy the same bundle of goods as before the price change. Generally there will be cheaper ways of doing that by shifting to other goods."

According to some economists, the CPI's exaggeration of the real rise in the cost of living has been accelerating because the index is not picking up decreases in the purchases of food and fuel. Both of these categories are heavily weighted in the index. "The CPI is overstating inflation now," says Backman. "Total consumption of meat, gas, and electric power is going down in unit volume, but this is not picked up in the CPI because they use old weights."

The problem of fixed weights might be solved by changing the weights more frequently, but this would mean surveying consumer spending more often. The weights in the CPI have been changed only every 10 years or so; most economists think they should be changed at least twice as often. As part of its full-scale revision of the CPI, the BLS plans more frequent changes in weights. Indeed, the agency hopes to bring out a quarterly-consumer survey by 1976 if Congress provides the money.

True prices. Another problem in measuring inflation is the Wholesale Price Index's use of list prices rather than

transaction prices. George Stigler, a University of Chicago economist who directed a massive study of government price statistics in the early 1960s, suggests that in ordinary times, the WPI overstates prices by relying on list. "But whenever the market gets tight or is subjected to controls," he adds, "discounts disappear, prices rise, but the WPI does not reflect this, so it understates the rate of inflation."

One way to overcome this deficiency, Stigler says, is to collect more and better data from business, especially more information at the point of sale. Notes Stigler: "More than half the price increases in the WPI are based on one or two company reports." Moreover, the BLS collects data on only 21% of the more than 700 major industries making up the economy.

Any attempt to gather more information on prices will be very likely run into stiff opposition from business. The rule of confidentiality covers all reports to the BLS. "When I discovered that the price index I constructed for diesel engines was declining while the government's index more than doubled, I could not even find out what model they were pricing," says Gordon. Business would not like to see this situation change.

Similarly, the Consumer Price Index now samples only about 55% of the population, and the BLS wants to expand it to some 80%. But labor has already registered strong opposition to the BLS proposal because it would include occupation groups at both the upper and lower ends of the income scale. Unions fear that broadening the base would blur the differences among the market baskets of various income and occupational groups (BW—Apr. 6).

Indexes on indexes. One way to retain a sharpness of measurement would be to create a "family" of indexes, designed to reflect the consumption patterns of various occupational and income classes. As Fisher explains it: "Unless you are wedded to the idea of one CPI, it doesn't make sense to broaden the base, which will only give you something that does not provide a good measure for anybody. Rather, you should concentrate on creating CPIS for relatively homogeneous classes of people."

Fisher and others believe that the BLS should begin to concentrate more of its efforts on dealing with the quality adjustments and on designing indexes to meet specific needs. "We are well past the day," says Fisher, "when the BLS didn't know anything about these problems and wasn't even making an attempt to deal with them."

Now that billions of dollars hang on every wiggle of an index, Congress may finally vote enough funds for more accurate measures of inflation. ■

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COMPARISON OF MINIMUM AND MAXIMUM SALARIES PAID POLICE
PRIVATES IN THE 29 LARGEST CITIES IN THE UNITED STATES

<u>City</u>	<u>Minimum</u>	<u>Rank</u>	<u>Maximum</u>	<u>Rank</u>
Atlanta <u>2</u> <u>3</u>	\$ 9,840	18	\$12,108	20
Baltimore <u>3</u>	9,221	23 _i	11,664	23
Boston <u>3</u>	9,793	19 _i	12,153	18
Buffalo <u>2</u> <u>3</u>	9,010	24	11,730	22
Chicago <u>1</u>	11,148	7	14,652	5
Cincinnati <u>2</u> <u>3</u>	10,978	10	12,306	17
Cleveland <u>3</u>	12,069	4	13,569	9
Columbus <u>3</u>	8,778	25	12,875	15
Dallas	9,654	21	10,986	25
Denver	10,836	11	12,636	16
Detroit <u>1</u> <u>3</u>	11,000	9	15,000	4
Houston <u>1</u>	10,522	12	12,111	19
Indianapolis	8,000	29	9,750	29
Jacksonville <u>3</u>	8,628	26	10,440	28
Kansas City, Mo.	8,556	27	13,248	11
Los Angeles <u>1</u>	13,384	2	15,764	1
Memphis	9,229	22	10,685	27
Milwaukee	11,147	8	13,141	12
New Orleans	8,364	28	13,452	10
New York <u>1</u> <u>3</u>	11,944	6	15,250	2
Philadelphia <u>1</u> <u>3</u>	12,441	3	13,022	14
Phoenix	10,176	14	13,620	8
Pittsburgh <u>3</u>	10,113	15	11,050	24
St. Louis	9,932	17	12,090	21
San Antonio	9,660	20	10,776	26
San Diego	12,060	5	14,580	6
San Francisco	14,532	1	15,132	3
Seattle	10,512	13	13,032	13
Washington, D. C. <u>3</u>	10,000	16	14,400	7
Wash., D. C. (Proposed)	11,000	9 ¹ / ₂	15,840	1
Mean (Except D. C.)	\$10,408		\$12,744	
Median (Except D. C.)	\$10,130		\$12,755	

- 1 Cities with population over 1,000,000.
2 Cities with population under 500,000.
3 Cities in the eastern part of the United States.

Sources: City of Philadelphia Survey of Police and Fire Pay Related Practices;
 Survey data compiled by D. C. Personnel Office - July 1974.

PREPARED BY:
 Compensation and Research Division
 District of Columbia Personnel Office

July 1974

COMPARISON OF MINIMUM AND MAXIMUM SALARIES PAID FIRE
PRIVATE IN THE 29 LARGEST CITIES IN THE UNITED STATES

<u>City</u>	<u>Minimum</u>	<u>Rank</u>	<u>Maximum</u>	<u>Rank</u>
Atlanta <u>/2 /3</u>	\$ 9,048	23	\$11,616	21
Baltimore <u>/3</u>	8,761	27	11,082	23
Boston <u>/3</u>	9,793	17	12,153	17
Buffalo <u>/2 /3</u>	9,010	24	11,730	20
Chicago <u>/1</u>	11,148	7	14,652	6
Cincinnati <u>/2 /3</u>	10,978	10	12,306	16
Cleveland <u>/3</u>	12,069	4	13,569	9
Columbus <u>/3</u>	8,778	26	12,875	14
Dallas	9,654	21	10,986	25
Denver	10,584	11	12,348	15
Detroit <u>/1 /3</u>	11,000	9	15,000	4
Houston <u>/1</u>	10,062	14	11,588	22
Indianapolis	8,000	28	9,750	29
Jacksonville <u>/3</u>	7,500	29	10,080	28
Kansas, City, Mo.	9,708	19	11,784	19
Los Angeles <u>/1</u>	13,384	2	15,764	1
Memphis	8,964	25	10,284	27
Milwaukee	11,147	8	13,141	10
New Orleans	9,486	22	14,986	5
New York <u>/1 /3</u>	11,944	5	15,250	2
Philadelphia <u>/1 /3</u>	12,441	3	13,022	12
Phoenix	9,714	18	12,979	13
Pittsburgh <u>/3</u>	10,113	13	11,050	24
St. Louis	9,932	16	12,090	18
San Antonio	9,660	20	10,776	26
San Diego	11,772	6	14,232	8
San Francisco	14,532	1	15,132	3
Seattle	10,512	12	13,032	11
Washington, D. C. <u>/3</u>	10,000	15	14,400	7
Wash., D. C. (Proposed)	11,000	8 $\frac{1}{2}$	15,840	1
Mean (Except D. C.)	\$10,346		\$12,616	
Median (Except D. C.)	\$ 9,997		\$12,327	

/1 Cities with population over 1,000,000.

/2 Cities with population under 500,000.

/3 Cities in the eastern part of the United States.

Sources: City of Philadelphia Survey of Police and Fire Pay and Related Practices; Survey data compiled by D. C. Personnel Office - July, 1974.

PREPARED BY:

Compensation and Research Division
District of Columbia Personnel Office

July 1974

COMPARISON OF MINIMUM AND MAXIMUM SALARIES PAID
POLICE PRIVATES IN SIX LOCAL JURISDICTIONS IN
THE WASHINGTON METROPOLITAN AREA AS OF JULY 1, 1974

<u>Jurisdiction</u>	<u>Minimum</u>	<u>Rank</u>	<u>Maximum</u>	<u>Rank</u>
Alexandria /1	\$10,081	5	\$12,254	6
Arlington	11,454	1	14,620	2
Fairfax	10,963	2	16,197	1
Montgomery	10,812	3	14,555	3
Prince George's /1	10,275	4	13,749	5
Washington, D. C. (Present)	10,000	6	14,400	4
Median (Except D. C.)	\$10,812		\$14,555	
Mean (Except D. C.)	\$10,717		\$14,275	
Washington, D. C. (Proposed)	\$11,000	2	\$15,840	2

/1 New rates not available, negotiations still in process

SOURCE: Unpublished Survey Data from Survey conducted by D. C.
Personnel Office, Compensation & Research Division.

July 1974

COMPARISON OF MINIMUM AND MAXIMUM SALARIES PAID
FIRE PRIVATES IN SIX LOCAL JURISDICTIONS IN
THE WASHINGTON METROPOLITAN AREA AS OF JULY 1, 1974

<u>Jurisdiction</u>	<u>Minimum</u>	<u>Rank</u>	<u>Maximum</u>	<u>Rank</u>
Alexandria <u>/1</u>	\$10,081	5	\$12,254	6
Arlington	10,603	2	13,861	4
Fairfax	10,546	3	15,156	1
Montgomery	10,812	1	14,555	2
Prince George's <u>/1</u>	10,275	4	13,749	5
Washington, D. C. (Present)	10,000	6	14,400	3
Median (Except D. C.)	\$10,546		\$13,861	
Mean (Except D. C.)	\$10,463		\$13,915	
Washington, D. C. (Proposed)	\$11,000	1	\$15,840	1

/1 New rates not available, negotiations still in process.

SOURCE: Unpublished Survey Data from Survey conducted by D. C.
Personnel Office, Compensation & Research Division

July 1974

COMPARISON OF MINIMUM AND MAXIMUM SALARIES PAID TEACHERS
WITH BA AND MA DEGREES IN THE 29 LARGEST
CITIES IN THE UNITED STATES

School System	BA Salary Rank				MA Salary Rank			
	Minimum	Rank	Maximum	Rank	Minimum	Rank	Maximum	Rank
Atlanta <u>/2</u> <u>/3</u>	\$7950	15	\$12,422	17 ¹	\$8750	14	\$13,672	21
Baltimore <u>/3</u>	7900	16	12,289	18	8558	12	16,239	6
Boston <u>/3</u>	8459	10	14,359	6	9159	9	15,259	11
Buffalo <u>/2</u> <u>/3</u>	8695	6	13,903	9	9910	4	15,552	9
Chicago <u>/1</u>	10,000	1	16,628	1	10,686	2	17,802	1
Cincinnati <u>/2</u> <u>/3</u>	7770	18	12,770	15	8640	17	13,715	20
Cleveland <u>/3</u>	7823	17	13,309	13	8348	21	15,068	12
Columbus <u>/3</u>	7600	21	13,163	14	8428	19	14,592	14
Dallas	7000	27 ^{1/2}	10,500	26	7700	26	13,500	23
Denver	7345	23	12,495	16	8660	16	14,765	13
Detroit <u>/1</u> <u>/3</u>	9200	4	15,390	4	10,108	3	17,620	2
Houston <u>/1</u>	7200	26	10,610	25	7820	25	11,850	27
Indianapolis	7746	19	12,252	19	8270	22	14,348	17
Jacksonville <u>/3</u>	7650	20	11,280	24	8420	20	12,350	26
Kansas City	7274	25	11,510	21	7696	27	13,652	22
Los Angeles <u>/1</u>	8540	8	16,180	2	9040	11	16,280	4
Memphis	7300	24	11,400	23	8130	23	12,470	25
Iwaukee	8600	7	13,749	10	8972	12	14,429	15
New Orleans	7000	27 ^{1/2}	10,300	27	7300	28	10,900	29
New York <u>/1</u> <u>/3</u>	9600	2	15,750	3	11,350	1	17,500	3
Philadelphia <u>/1</u> <u>/3</u>	9256	3	15,075	5	9568	6	16,258	5
Phoenix	7444	22	11,414	22	7940	24	14,391	16
Pittsburgh <u>/3</u>	8500	9	14,100	8	9100	10	15,600	8
St. Louis	8000	14	13,400	12	8720	15	14,120	18
San Antonio	6500	29	10,033	28	7150	29	10,920	28
San Diego	8327	11	11,852	20	9410	7	13,901	19
San Francisco	8265	12	14,180	7	9405	8	15,345	10
Seattle	8156	13	9,096	29	8812	13	12,959	24
Washington, D. C. <u>/3</u>	8770	5	13,615	11	9650	5	15,675	7
Wash., D.C. (Proposed)	9650	2	14,975	6	10,615	3	17,245	4
Mean (Except D. C.)	8039		12,836		8787		14,466	
Median (Except D. C.)	7925		12,632		8690		14,460	

/1 Cities with population over 1,000,000.

/2 Cities with population under 500,000.

/3 Cities in the eastern part of the United States.

SOURCES: 1973 - 74 salary survey data compiled by National Education Association and by D. C. Personnel Office, Compensation and Research Division.

July 1974

COMPARISON OF MINIMUM AND MAXIMUM SALARIES PAID TEACHERS
WITH BACHELORS AND MASTERS DEGREES BY SEVEN LOCAL SCHOOL
SYSTEMS IN THE WASHINGTON, D. C. METROPOLITAN AREA 1974-75

	BA Salary Range		MA Salary Range		Rank
	Min.	Max.	Min.	Max.	
Alexandria	8,799	15,662	10,119	18,390	3
Arlington	9,055	14,189	10,577	18,508	2
Fairfax	8,350	14,954	8,750	18,556	1
Falls Church	8,600	11,610	9,546	17,200	5
Montgomery County	8,668	11,788	9,708	17,596	4
Prince George's County	8,646	15,044	10,375	16,773	6
Washington, D. C. (Present)	8,770	13,615	9,650	15,675	7
Washington, D. C. (Proposed)	9,650	14,975	10,615	17,245	5
Median (Excluding D. C.)	8,657	14,571	9,913	17,993	
Mean (Excluding D. C.)	8,686	13,875	9,846	17,837	

Source: 1974-75 salary survey data compiled by D. C. Personnel Office, Compensation and Research Division.

July 1974

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 REPRE-
2 SENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS
3 ASSEMBLED.

4 TITLE I - AMENDMENTS TO DISTRICT OF COLUMBIA
5 POLICE AND FIREMEN'S SALARY ACT

6 Sec. 101. The salary schedule contained in sub-
7 section (a) of section 101 of the District of Columbia
8 Police and Firemen's Salary Act of 1958 (D.C. Code,
9 sec. 4-823(a)) is amended to read as follows:

"SALARY SCHEDULE"

"Salary class and title	Service step—								
	1	2	3	4	5	6	7	8	9
Class 1: Fire Private, Police Private.....	\$11,000	11,330	11,880	12,430	13,310	14,190	14,740	15,290	15,840
Class 2: Fire Inspector.....	12,540	13,310	14,080	14,850	15,620	16,390	17,160		
Class 3: Detective, Assistant Pilot, Assistant Marine Engineer.....	13,750	14,440	15,130	15,820	16,510	17,200	17,890		
Class 4: Fire Sergeant, Police Sergeant, Detective Sergeant.....	14,940	15,685	16,430	17,175	17,920	18,665			
Class 5: Fire Lieutenant, Police Lieutenant.....	17,270	18,135	19,000	19,865	20,730				
Class 6: Marine Engineer, Pilot.....	18,865	19,805	20,745	21,685					
Class 7: Fire Captain, Police Captain.....	20,460	21,485	22,510	23,535					
Class 8: Battalion Fire Chief, Police Inspector...	23,715	24,905	26,095	27,285					
Class 9: Deputy Fire Chief, Deputy Chief of Police...	27,830	29,715	31,600	33,485					
Class 10: Assistant Chief of Police, Assistant Fire Chief, Commanding Officer of the Executive Protective Service, Commanding Officer of the U. S. Park Police...	33,000	35,200	37,400						
Class 11: Fire Chief, Chief of Police	38,170	40,480							

1 Sec. 102. The second sentence of section 202 of
2 the District of Columbia Police and Firemen's Salary Act
3 of 1958 (D.C. Code, sec. 4-825) is amended to read as
4 follows: "The additional compensation authorized by
5 this section shall be paid to an officer or member in
6 the same manner as he is paid the basic compensation
7 to which he is entitled: Provided, That when he ceases
8 to remain in such assignment, the loss of such addi-
9 tional compensation shall not constitute a reduction
10 in pay under section 7511 of title 5, United States
11 Code."

12 Sec. 103. Section 301 of the District of Columbia
13 Police and Firemen's Salary Act of 1958 (D.C. Code,
14 sec. 4-827) is amended (1) by striking out "All" and
15 inserting in lieu thereof "(a) Except as otherwise pro-
16 vided in subsection (b), all", and (2) by adding at the
17 end thereof the following new subsection:

18 "(b) Any former officer or member of the Metro-
19 politan Police force or the Fire Department of the
20 District of Columbia, the Executive Protective Service,
21 or the United States Park Police force who is

1 subsequently reappointed as a police or fire private
2 within three years of his separation from the service
3 may receive any scheduled rate of basic compensation
4 provided in salary class 1 of such schedule which does
5 not exceed the current scheduled rate of basic com-
6 pensation of the salary class and service step from
7 which he was separated. For purposes of this subsec-
8 tion, no additional compensation authorized by this Act
9 shall be used in determining service step placement."

10 Sec. 104. Section 302 of the District of Columbia
11 Police and Firemen's Salary Act of 1958 (D.C. Code, sec.
12 4-828) is amended as follows:

13 (a) The third sentence of subsection (b) is amended
14 to read as follows: "An officer or member described in
15 paragraph (1) (B) shall receive such compensation until
16 the position of dog handler is determined under subsec-
17 tion (a) not to be included in salary class 4 as a
18 technician's position or until he no longer performs
19 the duty of a dog handler, whichever occurs first,";
20 and

21 (b) the following new subsections are added at

1 the end thereof:

2 "(e) Whenever any officer or member receiving ad-
3 ditional compensation authorized by subsection (b) or
4 (c) is no longer entitled to received such additional
5 compensation, without a change in salary class, he
6 shall receive, irrespective of any subsequent salary
7 schedule or service step adjustment authorized by this
8 Act, basic compensation equal to the sum of his existing
9 scheduled rate of basic compensation and the amount of
10 such additional compensation until his schedule rate
11 of basic compensation equals or exceeds such sum.

12 "(f) The loss of the additional compensation auth-
13 orized by subsection (b) or (c) shall not constitute a
14 reduction in pay under section 7511 of title 5, United
15 States Code."

16 Sec. 105. Section 401 of the District of Columbia
17 Police and Firemen's Salary Act of 1958 (D.C. Code, sec.
18 4-832) is amended as follows:

19 (a) Paragraph (2) of subsection (a) is amended
20 to read as follows:

21 "(2) For purposes of paragraph (1), continuous

1 service as an officer or member includes only those
2 periods of his service determined to have been satis-
3 factory service and any period of his service in the
4 Armed Forces of the United States other than any period
5 of such service (A) determined not to have been satis-
6 factory service, (B) rendered before appointment as
7 an officer or member, or (C) rendered after resignation
8 as an officer or member."; and

9 (b) The second sentence of subsection (c) is
10 amended to read as follows: "For purposes of this sub-
11 section, in computing a deputy chief's continuous
12 service on the police force or fire department, there
13 shall be included only those periods of his service
14 determined to have been satisfactory service and any
15 period of his service in the Armed Forces of the United
16 States other than any period of such service —

17 (1) determined not to have been satisfactory service,
18 (2) rendered before appointment as an officer or
19 member, or
20 (3) rendered after resignation as an officer or
21 member."

1 Sec. 106. The second section of the Act approved
2 October 24, 1951 (D.C. Code, sec. 4-808) is amended by
3 striking out "the 22nd day of February", "the 30th day
4 of May", and the 11th day of November", and inserting
5 in lieu thereof "the 3rd Monday in February, "the last
6 Monday in May", "the 2nd Monday in October," and "the
7 4th Monday in October".

8 Sec. 107. (a) Except as provided in subsections
9 (b) and (c), the effective date of this title and the
10 amendments made by this title shall be the first day
11 of the first pay period beginning on or after July 1, 1974.

12 (b) The amendments made by paragraph (b) of sec-
13 tion 104 shall be effective on the first day of the
14 first pay period beginning on or after January 1, 1974.

15 (c) The amendments made by section 105 shall be
16 effective on the first day of the first pay period
17 beginning on or after May 1, 1972.

18 Sec. 108. This title may be cited as the District
19 of Columbia Police and Firemen's Salary Act Amendments
20 of 1974".

1 TITLE II - POLICE AND FIRE DISABILITY

2 RETIREMENT AMENDMENTS

3 Sec. 201. (a) Subsection (g) of the Policemen
4 and Firemen's Retirement and Disability Act (D.C.
5 Code, sec. 4-527) is amended by adding at the end
6 thereof the following new paragraph:

7 "(3) A member shall be retired under this subsec-
8 tion only upon the recommendation of the Board of
9 Police and Fire Surgeons and the concurrence therein
10 by the Commissioner, except that in any case in which
11 a member seeks his own retirement under this subsec-
12 tion, he shall, in the absence of such recommendation,
13 provide the necessary evidence to form the basis for
14 the approval of such retirement by the Commissioner."

15 (b) The amendment made by this section shall take
16 effect on the first day of the first month which begins
17 more than thirty days after the date of enactment of
18 this Act.

19 Sec. 202. (a) The second paragraph of subsection
20 (k) of the Policemen and Firemen's Retirement and Dis-
21 ability Act (D.C. Code, sec. 4-531(2)) is amended by

- 1 striking out "step 6, subclass (a)," and inserting
- 2 in lieu thereof "service step 6 of salary".
- 3 (b) The amendment made by this section shall
- 4 take effect on the first day of the first pay period
- 5 beginning on or after May 1, 1972.

GWP:if
CCL 75/93
4/23/74

SUMMARY OF PROVISIONS OF A DRAFT BILL
TO AMEND THE D.C. POLICE AND FIREMEN'S
SALARY ACT OF 1958 TO INCREASE SALARIES,
AND FOR OTHER PURPOSES.

TITLE I -- AMENDMENTS TO DISTRICT OF COLUMBIA
POLICE AND FIREMEN'S SALARY ACT.

Sec. 101. Provides an average ten percent salary increase, effective July 1, 1974, for all police and firemen.

Sec. 102. Provides that the loss of the additional compensation paid helicopter pilots and bomb disposal personnel shall not constitute a reduction in pay subject to adverse action.

Sec. 103. Provides that an officer or member who resigns and is reappointed within three years may receive any scheduled salary rate in class 1 which does not exceed the current scheduled salary rate of his class and step at time of resignation.

Sec. 104. (a) Provides that a dog handler in class 4 shall cease to receive technician's pay if his position is determined not to be a technician's position.

(b) Provides that any officer or member who is no longer entitled to technician's pay, without a change in salary class, shall receive the sum of his scheduled salary rate and his technician's pay

until his scheduled salary rate equals or exceeds such sum and the loss of technician's pay shall not constitute a reduction in pay subject to adverse action.

Sec. 105. Requires that continuous service for all longevity pay and deputy chief step placement shall be satisfactory service.

Sec. 106. Updates the legal holidays for police and firemen.

Sec. 107. Establishes July 1, 1974, as the effective date of the title, except that sec. 104(b) shall take effect on January 1, 1974, and sec. 105 shall be effective retroactive to May 1, 1972.

Sec. 108. Cites the title as the "District of Columbia Police and Firemen's Salary Act Amendments of 1974".

TITLE II -- POLICE AND FIRE DISABILITY
RETIREMENT AMENDMENTS.

Sec. 201. (a) Provides that a member shall be retired for service-connected disability only upon the recommendation of the Board of Police and Fire Surgeons and the concurrence therein by the Mayor

(Police and Firemen's Retirement and Relief Board), except that if the member seeks his own disability retirement, he shall, in the absence of the Board of Surgeons' recommendation, provide the necessary evidence to form the basis for the retirement approval.

(b) Provides that the amendment made by the section shall take effect on the first month beginning more than 30 days after the date of the bill's enactment.

Sec. 202. Makes a technical amendment which deletes reference to "subclass (a)" of class 1 of the Police and Fire salary schedule in the computation of a widow's or widower's annuity, effective May 1, 1972.

//

A BILL

To amend the District of Columbia Teachers' Salary Act of 1955 to increase salaries, and for other purposes.

1 BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That this Act may be cited as the "District of Columbia Teachers' Salary Act Amendments of 1974".

6 Sec. 2. Section 1 of the District of Columbia Teachers' Salary Act of 1955 (D.C. Code, sec. 31-1501) is amended to read as follows:

9 "Section 1. (a) The following is the salary schedule for teachers, school officers, and certain other employees of the Board of Education under this Act:

TEACHERS AND SCHOOL OFFICERS SALARY SCHEDULE

"Salary Class and Group	Service Step											Longevity step Y		
	1	2	3	4	5	6	7	8	9	10	11		12	13
Class 1A.....	45,500													
Class 1B.....	40,000													
Class 2A.....	38,000													
Class 2B.....	36,000													
Class 3.....	27,390													
Class 4.....	24,050	28,040	28,690	29,340	29,990	30,640	31,290	31,940	32,590					
Class 5:		24,620	25,190	25,760	26,330	26,900	27,470	28,040	28,620					
Group B, master's degree.....	22,750	23,290	23,830	24,370	24,910	25,450	25,990	26,530	27,070					
Group C, master's degree +30.....	23,235	23,775	24,315	24,855	25,395	25,935	26,475	27,015	27,555					
Group D, doctor's.....	23,715	24,255	24,795	25,335	25,875	26,415	26,955	27,495	28,035					
Class 6:														
Group B, master's degree.....	21,740	22,255	22,770	23,285	23,800	24,315	24,830	25,345	25,860					
Level IV principal.....	21,740	22,255	22,770	23,285	23,800	24,315	24,830	25,345	25,860					
Level III principal.....	21,100	21,615	22,130	22,645	23,160	23,675	24,190	24,705	25,220					
Level II principal.....	20,465	20,980	21,495	22,010	22,525	23,040	23,555	24,070	24,585					
Level I principal.....	19,830	20,345	20,860	21,375	21,890	22,405	22,920	23,435	23,950					
Group C, master's degree +30.....	22,160	22,675	23,190	23,705	24,220	24,735	25,250	25,765	26,280					
Level IV principal.....	22,160	22,675	23,190	23,705	24,220	24,735	25,250	25,765	26,280					
Level III principal.....	21,520	22,035	22,550	23,065	23,580	24,095	24,610	25,125	25,640					
Level II principal.....	20,885	21,400	21,915	22,430	22,945	23,460	23,975	24,490	25,005					
Level I principal.....	20,250	20,765	21,280	21,795	22,310	22,825	23,340	23,855	24,370					
Group D, doctor's degree.....	22,575	23,090	23,605	24,120	24,635	25,150	25,665	26,180	26,695					
Level IV principal.....	22,575	23,090	23,605	24,120	24,635	25,150	25,665	26,180	26,695					
Level III principal.....	21,935	22,450	22,965	23,480	23,995	24,510	25,025	25,540	26,055					
Level II principal.....	21,300	21,815	22,330	22,845	23,360	23,875	24,390	24,905	25,420					
Level I principal.....	20,665	21,180	21,695	22,210	22,725	23,240	23,755	24,270	24,785					
Class 7:														
Group B, master's degree.....	20,000	20,475	20,950	21,425	21,900	22,375	22,850	23,325	23,800					
Group C, master's degree +30.....	20,485	20,960	21,435	21,910	22,385	22,860	23,335	23,810	24,285					
Group D, doctor's.....	20,965	21,440	21,915	22,390	22,865	23,340	23,815	24,290	24,765					
Class 8:														
Group B, master's degree.....	18,995	18,855	19,315	19,775	20,235	20,695	21,155	21,615	22,075					
Group C, master's degree +30.....	18,880	19,340	19,800	20,270	21,180	21,640	22,100	22,560	23,020					
Group D, doctor's.....	19,360	19,820	20,280	20,740	21,400	21,660	22,120	22,580	23,040					
Class 9:														
Group B, master's degree.....	17,960	18,410	18,860	19,310	19,760	20,210	20,660	21,110	21,560					
Group C, master's degree +30.....	18,445	18,895	19,345	19,795	20,245	20,695	21,145	21,595	22,045					
Group D, doctor's.....	18,925	19,375	19,825	20,275	20,725	21,175	21,625	22,075	22,525					

1940-1941 School Year - Continued

Salary class and group	Service Step-											Longev step y		
	1	2	3	4	5	6	7	8	9	10	11		12	13
Class 10:														
Group B, master's degree	17,385	17,820	18,255	18,690	19,125	19,560	19,995	20,430	20,865					
Group C, master's degree		18,305	18,740	19,175	19,610	20,045	20,480	20,915	21,350					
+ 30		18,785	19,220	19,655	20,090	20,525	20,960	21,395	21,830					
Group D, doctor's		18,350	18,785	19,220	19,655	20,090	20,525	20,960	21,395	21,830				
Class 11:														
Group B, master's degree	16,815	17,235	17,655	18,075	18,495	18,915	19,335	19,755	20,175					
Group C, master's degree		17,300	17,720	18,140	18,560	18,980	19,400	19,820	20,240	20,660				
+ 30		17,780	18,200	18,620	19,040	19,460	19,880	20,300	20,720	21,140				
Group D, doctor's		17,780	18,200	18,620	19,040	19,460	19,880	20,300	20,720	21,140				
Class 12:														
Group B, master's degree	16,240	16,645	17,050	17,455	17,860	18,265	18,670	19,075	19,480					
Group C, master's degree		17,125	17,530	17,935	18,340	18,745	19,150	19,555	19,960					
+ 30		17,610	18,015	18,420	18,825	19,230	19,635	20,040	20,445					
Group D, doctor's		17,610	18,015	18,420	18,825	19,230	19,635	20,040	20,445					
Class 13:														
Group B, master's degree	14,920	15,405	15,890	16,375	16,860	17,345	17,830	18,315	18,800					
Group C, master's degree		15,890	16,375	16,860	17,345	17,830	18,315	18,800	19,285					
+ 30		15,405	15,890	16,375	16,860	17,345	17,830	18,315	18,800	19,285				
Group D, doctor's		15,890	16,375	16,860	17,345	17,830	18,315	18,800	19,285	19,765				
Class 14:														
Group A, bachelor's degree	11,415	11,920	12,425	12,930	13,435	13,940	14,445	14,950	15,455	15,960	16,465	16,970	17,475	
Group B, master's degree	12,375	12,880	13,385	13,890	14,395	14,900	15,405	15,910	16,415	16,920	17,425	17,930	18,435	
+ 30		12,865	13,370	13,875	14,380	14,885	15,390	15,895	16,400	16,905	17,410	17,915	18,420	
Group C, master's degree		12,865	13,370	13,875	14,380	14,885	15,390	15,895	16,400	16,905	17,410	17,915	18,420	
+ 30		13,345	13,850	14,355	14,860	15,365	15,870	16,375	16,880	17,385	17,890	18,395	18,900	
Group D, doctor's		13,345	13,850	14,355	14,860	15,365	15,870	16,375	16,880	17,385	17,890	18,395	18,900	
Class 15:														
Group A, bachelor's degree	9,650	10,035	10,420	10,810	11,195	11,580	11,965	12,350	12,735	13,120	13,505	13,890	14,275	
Group A-1 bachelor's degree + 15		10,515	10,900	11,290	11,675	12,060	12,445	12,830	13,215	13,600	13,985	14,370	14,755	
Group B, master's degree	10,615	11,100	11,585	12,070	12,555	13,040	13,525	14,010	14,495	14,980	15,465	15,950	16,435	
Group C, master's degree		11,585	12,070	12,555	13,040	13,525	14,010	14,495	14,980	15,465	15,950	16,435	16,920	
+ 30		11,100	11,585	12,070	12,555	13,040	13,525	14,010	14,495	14,980	15,465	15,950	16,435	
Group D, master's degree		11,585	12,070	12,555	13,040	13,525	14,010	14,495	14,980	15,465	15,950	16,435	16,920	
+ 60 or doctor's		11,585	12,070	12,555	13,040	13,525	14,010	14,495	14,980	15,465	15,950	16,435	16,920	

1 "(b) Notwithstanding the rates of compensa-
2 tion in the salary schedule in subsection (a)
3 of this section, no employee in salary class
4 1A of such salary schedule may be paid at a
5 rate of compensation in excess of the rate of
6 basic pay in effect for level III of the Exec-
7 utive Schedule contained in subchapter II of
8 chapter 53 of title 5, United States Code;
9 and no other employee in any other salary
10 class of such salary schedule may be paid at
11 a rate of compensation in excess of the rate
12 of basic pay in effect for level V of such Ex-
13 ecutive Schedule."

14 Sec. 3. The schedule of pay rates contained
15 in subsection (a) of section 13 of the District of
16 Columbia Teachers' Salary Act of 1955 (D.C. Code,
17 sec. 31-1542(a)) is amended to read as follows:

"Classification	Per period		
	Step 1	Step 2	Step 3
Summer school (regular): Teachers, elementary and secondary schools; counselor, elementary and secondary schools; librarian, elementary and secondary schools; school social worker; speech correctionist, school psychologist	\$ 8.53	\$ 9.67	\$10.90
Psychiatric social worker	9.81	11.12	12.54
Veterans' summer school centers: Teacher	8.53	9.67	10.90
Adult education schools: Teacher	9.38	10.64	11.99
Assistant principal	13.13	14.90	16.79
Principal	14.54	16.49	18.59"

- 1 Sec. 4. The amendments made by this Act shall be-
 2 come effective on the first day of the first pay period
 3 beginning on or after January 1, 1975.

SECTION BY SECTION SUMMARY
OF A DRAFT BILL TO AMEND THE
D.C. TEACHERS' SALARY ACT OF
1955 TO INCREASE SALARIES,
AND FOR OTHER PURPOSES.

Section 1. Provides that the bill may be cited as the "District of Columbia Teachers' Salary Act Amendments of 1974".

Section 2. Amends the salary schedule for teachers and other public school educational employees covered by the Act to provide a ten percent increase, but continues the current limitations on (1) the class 1A salary rate so that it will not exceed the basic pay of level III of the Executive Schedule, and (2) on all other salary classes so that such rates of pay will not exceed that in effect for level V of the Executive Schedule.

Section 3. Amends the salary schedules for summer and evening school teachers and employees by increasing the pay rates by ten percent.

Section 4. Provides that the effective date of the amendments contained in the bill shall be the first day of the first pay period beginning on or after January 1, 1975.

FULL FISCAL YEAR COST BREAKDOWN ON DISTRICT'S
PROPOSED POLICE AND FIRE 10% PAY PROPOSAL

	<u>Police (4918)</u>	<u>Fire (1433)</u>	<u>Totals</u>
Salary Increase	\$5,795,000	\$1,926,000	\$ 7,721,000
Longevity Benefit	70,000	40,000	110,000
Overtime Pay	260,000	87,000	347,000
Holiday Pay	250,000	82,000	332,000
Terminal Leave	30,000	10,000	40,000
Retirement	---	---	<u>2,850,000</u>
			<u>\$11,400,000</u>

COST ESTIMATE - TEACHERS SALARY ACT
BASED ON 10% SCHEDULE INCREASE

	<u>Cost * F. Y. 1975</u>	<u>Cost Full F. Y.</u>
Salary Increase	\$6,500,000	\$10,725,000
Evening & Summer School	80,000	245,000
Life Insurance	<u>20,000</u>	<u>30,000</u>
	<u>\$6,600,000</u>	<u>\$11,000,000</u>

* Effective January 1, 1975

P. L. 92-410 - effective May, 1972 (enacted August, 1972)

D. C. POLICE AND FIREMEN'S SALARY SCHEDULE

Salary Class and Title	Service Step 1	Service Step 2	Service Step 3	Service Step 4	Service Step 5	Service Step 6	Service Step 7	Service Step 8	Service Step 9
<u>Class 1:</u> Fire Private Police Private	\$10,000	10,300	10,800	11,300	12,300	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					

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Salary Class and Title	Service Step 1	Service Step 2	Service Step 3	Service Step 4	Service Step 5	Service Step 6	Service Step 7	Service Step 8	Service Step 9
<u>Class 9:</u>									
Deputy Fire Chief									
Deputy Chief of Police	25,300	27,015	28,730	30,445					
<u>Class 10:</u>									
Assistant Chief of Police	30,000	32,000	34,000						
Assistant Fire Chief									
Commanding Officer of the Executive Protective Service, U.S. Park Police									
<u>Class 11:</u>									
Fire Chief	34,700	36,800							
Chief of Police									

1. Technicians Rate - Rate for those designated as technicians is established at \$680 a year.
2. Longevity Provisions - Longevity compensation is established on the basis of total service as an active member in the following manner:
 - If an officer or member has completed at least:
 - a. 15 years of continuous service 5 per centum of the rate of basic compensation prescribed for service step 1 of the salary class which he occupies.
 - b. 20 years of continuous service 10 per centum of such compensation.
 - c. 25 years of continuous service 15 per centum of such compensation.
 - d. 30 years of continuous service 20 per centum of such compensation.
 Such long service longevity compensation is not used in the computation of a member's annuity upon retirement.
3. Limitation on Compensation - No officer or member can receive compensation in excess of the rate of basic pay for Level V of the Executive Schedule.

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Salary Class & Group	Service Step								
	1	2	3	4	5	6	7	8	9
Class 8 Group B - MA Group C - MA+30 Group D - Doctors	\$16,625	17,050	17,475	17,905	18,330	18,755	19,180	19,605	20,030
	17,070	17,495	17,920	18,345	18,770	19,195	19,620	20,045	20,470
	17,505	17,930	18,355	18,780	19,205	19,630	20,055	20,480	20,905
Class 9 Group B - MA Group C - MA+30 Group D - Doctors	16,470	16,875	17,280	17,680	18,085	18,490	18,895	19,300	19,705
	16,910	17,315	17,720	18,125	18,525	18,930	19,335	19,740	20,145
	17,345	17,750	18,155	18,560	18,965	19,365	19,770	20,175	20,580
Class 10 Group B - MA Group C - MA+30 Group D - Doctors	15,835	16,230	16,620	17,015	17,410	17,805	18,195	18,590	18,985
	16,275	16,670	17,065	17,465	17,850	18,245	18,640	19,030	19,425
	16,710	17,105	17,500	17,895	18,285	18,680	19,075	19,465	19,860
Class 11 Group B - MA Group C - MA+30 Group D - Doctors	15,335	15,735	16,110	16,490	16,870	17,245	17,625	18,000	18,380
	15,795	16,175	16,555	16,930	17,310	17,685	18,065	18,445	18,820
	16,235	16,610	16,990	17,365	17,745	18,125	18,500	18,880	19,255
Class 12 Group B - MA Group C - MA+30 Group D - Doctors	14,830	15,195	15,555	15,920	16,280	16,645	17,005	17,365	17,730
	15,265	15,630	15,990	16,355	16,715	17,080	17,440	17,805	18,165
	15,710	16,070	16,435	16,795	17,155	17,520	17,880	18,245	18,605
Class 13 Group B - MA Group C - MA+30 Group D - Doctors	13,570	14,005	14,445	14,880	15,315	15,750	16,185	16,620	17,055
	14,010	14,450	14,885	15,320	15,755	16,190	16,625	17,065	17,500
	14,450	14,885	15,320	15,755	16,190	16,625	17,065	17,500	17,935

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Salary Class & Group	1		2		3		4		5		6		7		8		9		10		11		12		13		14			
	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	Step	
Class 14 Group A - BA	\$ 10,595	10,850	11,210	11,765	12,220	12,680	13,135	13,590	14,050	14,505	14,965	15,420	15,875																	
Group B - MA	11,265	11,725	12,180	12,635	13,095	13,550	14,005	14,465	14,920	15,375	15,835	16,290	16,750																	
Group C - MA+30	11,710	12,165	12,620	13,080	13,535	13,990	14,450	14,905	15,360	15,820	16,275	16,730	17,190																	
Group D - Doctors	12,145	12,600	13,055	13,515	13,970	14,425	14,885	15,340	15,795	16,255	16,710	17,170	17,625																	
Class 15 Group A - BA	8,770	9,120	9,470	9,825	10,175	10,525	10,965	11,410	11,850	12,290	12,730	13,170	13,615																	
Group A-1 - BA+15	9,210	9,560	9,910	10,265	10,615	10,965	11,410	11,850	12,290	12,730	13,170	13,615	14,055																	
Group B - MA	9,650	10,090	10,530	10,975	11,415	11,855	12,400	12,945	13,495	14,040	14,585	15,130	15,675																	
Group C - MA+30	10,090	10,530	10,975	11,415	11,855	12,295	12,840	13,390	13,935	14,480	15,025	15,570	16,120																	
Group D - Doctors	10,530	10,975	11,415	11,855	12,295	12,735	13,285	13,830	14,375	14,920	15,465	16,015	16,560																	

The 5 per centum compensation increase represented by the salary rates in this schedule received Cost of Living Council clearance on September 28, 1973.

Donald H. Weisberg
 Donald H. Weisberg
 Director of Personnel

P. L. 92-518 - effective September 1, 1973
(enacted October 1972)

Summary - School Teachers and Adult Education Schools Salary Schedule

Classification	Per period		
	Step 1	Step 2	Step 3
Summer school (regular):			
Teachers, elementary and secondary schools; counselor, elementary and secondary schools; librarian, elementary and secondary schools; school social worker; speech correctionist; school psychologist.....	\$ 7.76	\$ 8.80	\$ 9.91
Psychiatric social worker.....	8.93	10.12	11.40
Veterans' summer school centers: Teacher.....	7.76	8.80	9.91
Adult education schools:			
Teacher.....	8.54	9.68	10.90
Assistant principal.....	11.95	13.56	15.26
Principal.....	13.23	15.00	16.89

SUMMARY OF PAY RAISES FOR DISTRICT OF COLUMBIA
PERSONNEL SUBSEQUENT TO 1949

Year	Classification Act		Police & Firemen		Teachers & School Officers	
	Public Law	Avg. % Increase	Public Law	Avg. % Increase	Public Law	Avg. % Increase
1949	81-429	3.7	--	--	--	--
1951	82-201	9.4 (Max. \$800)	82-207	10.0 (Min. \$300) (Max. \$800)	82-207	10.0 (Min. \$300) (Max. \$800)
1953	--	--	83-74	13.7	83-189	10.0
1955	84-94	7.5	84-244	7.5	84-243	14.9
1958	85-462	10.0	85-584	13.0	85-830	14.0
1960	86-568	7.5	86-734	7.5	86-773	7.5
1962	87-793 (Eff. 10/11/62)	5.5	87-602 (Eff. 1/1/63)	11.6	87-801 (Eff. 1/1/63)	10.6
1964	87-793 (Eff. 1/1/64)	4.1	--	--	--	--
1964	88-426 (Eff. 9/1/64)	4.2	88-575 (Eff. 7/1/64)	9.9	88-575 (Eff. 7/1/64)	7.0

Year	Classification Act		Police & Firemen		Teachers & School Office	
	Public Law	Avg. % Increase	Public Law	Avg. % Increase	Public Law	Avg. % Increase
1965	89-301 (Eff. 10/1/65)	3.6	--	--	--	--
1966	89-504 (Eff. 7/1/66)	3.2	89-810 (Eff. 7/3/66)	9.9	89-810 (Eff. 7/1/66)	8.9
1967	90-206 (Eff. 10/1/67)	4.5	90-320 (Eff. 10/1/67)	9.2	90-319 (Eff. 10/1/67)	6.3
1968	90-206 (Eff. 7/1/68)	4.9	90-320 (Eff. 7/1/68)	.9	90-319 (Eff. 7/1/68)	10.9
1969	90-206 (Eff. 7/1/69)	9.1	--	--	--	--
1970	91-231 (Eff. 1/1/70)	6.0	91-297 (Eff. 7/1/69)	13.0	91-297 (Eff. 9/1/69)	13.0
1971	91-656 (Eff. 1/1/71)	6.0				
1972	92-210 (Eff. 1/1/72)	5.5	92-410 (Eff. 5/1/72)	17.4	92-518 (Eff. 9/1/72)	7.0
	5 USC 5305 (Eff. 10/1/72)	5.1				
1973	5 USC 5305 (Eff. 10/1/73)	4.8			92-518 (Eff. 9/1/73)	5.0

PREPARED BY:

 Compensation & Research Division
 District of Columbia Personnel Office

The CHAIRMAN. We will now hear from the representatives of the International Brotherhood of Police Officers.

STATEMENTS OF ALAN J. WHITNEY AND GARY ALTMAN, REPRESENTATIVES OF THE INTERNATIONAL BROTHERHOOD OF POLICE OFFICERS

Mr. WHITNEY. Thank you, Mr. Chairman.

The CHAIRMAN. Gentlemen, you may be seated.

Identify yourselves for the record. Your full statement and supporting documents will be made a part of the record.

Mr. WHITNEY. Mr. Chairman, I would be most pleased to do that. We will submit our entire statement for the record.

I am Alan J. Whitney, executive vice president of the International Brotherhood of Police Officers, and with me is Gary Altman.

I would like to take a couple of minutes to testify to a few other factors which will give you the background of the situation.

PENSIONS

Specifically with regard to reasons why we believe very strongly that a pay raise in the amount approved by the House committee is in order. We go along with that. I also would like to take a moment to comment on two points set forth in the bill which is presently before this committee, S. 2829, and to give our comments with regard to three specific sections of that bill, section 2(a) (b) and (c).

These provisions will in effect deprive retired members of the department of increases in pensions commensurate with increases in pay to active members of the department.

It is our feeling that the recent policy is not as beneficial as the system currently used by the Federal Government which provides for quarterly living adjustments which the Federal retirees receive and which are based on the Consumer Price Index.

We believe that the elimination of such increase for police retirees would be wrong for them in this time of inflation.

In our opinion, in all other aspects, the bill is very commendable and very necessary.

FACTORS INVOLVED

I will touch upon just a few of those factors. We note that the District of Columbia Police Department is the only major police department in the United States that works more than a 40-hour week. The average number of years for a patrolman to reach his maximum salary level in comparable and surrounding jurisdictions is 3.2 years.

The District of Columbia patrolman waits 16 years.

We also think it is important to realize that there are 292,000 General Schedule employees in the Washington, D.C., area who receive an average salary of \$14,600, and who receive an annual pay raise every fall.

We also would point out that the District of Columbia police have not received a pay raise in over 26 months, that is 2.2 years.

We refer here as the base made for 1972, which is the effective date of the last pay raise.

COST OF LIVING

According to the statistics, the cost of living in the Washington, D.C. area had increased 17.6 percent from May of 1972 until May of 1974, and in June, the national cost of living went up a full percentage point.

Therefore, since the last police raise, the cost of living in the Washington area has gone up almost 19 percent.

The CHAIRMAN. We will supply for the record, the cost-of-living areas in the United States. I cannot precisely say where the Washington, D.C., metropolitan area ranks on the list.

[The information follows:]

NEWS



U. S. DEPARTMENT OF LABOR
BUREAU OF LABOR STATISTICS

Bureau of Labor Statistics
M. Sherwood (202) 961-2579
K. Hoyle (202) 961-2913
home: 333-1384

USDL: 74-304
FOR RELEASE: SUNDAY EDITIONS
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AUTUMN 1973 URBAN FAMILY BUDGETS
AND
COMPARATIVE INDEXES FOR SELECTED URBAN AREAS

The Bureau of Labor Statistics of the U.S. Department of Labor has again updated its three hypothetical annual family budgets and the place-to-place indexes that can be used to compare the cost of these budgets in selected urban areas.

Over the year from autumn 1972 to autumn 1973, the lower budget rose 10.8 percent and the intermediate and higher budgets 10.3 and 9.9 percent, respectively. The increase in food prices over the year had a greater impact on the lower than on the intermediate and higher budgets, because food as a proportion of the total cost of consumption declines as the level of living represented by the budgets rises.

For an urban family of four, the U.S. average cost of the lower budget amounted to approximately \$8,200 a year, while the intermediate and higher levels averaged \$12,600 and \$18,200 respectively, as shown in table A. (Costs for 39 metropolitan areas and four nonmetropolitan regions are shown in tables 1-3, and comparative indexes for these areas are shown in tables 4-6.) The budgets illustrate three different levels of living based on estimates of costs for different specified types and amounts of goods and services rather than actual expenditures by families.

These budgets are for a precisely defined urban family of four: a 38-year-old husband employed full time, his non-working wife, a boy of 13, and a girl of 8. After about 15 years of married life, the family is well established, and the husband is an experienced worker. The family has, for each budget level, average inventories of clothing, housefurnishings, major durables, and other equipment. The budgets pertain only to an urban family with the specified characteristics; no budgets are

available for rural families. The budgets are not intended to represent a minimum or subsistence level of living.

Table A. Summary of annual budgets for a 4-person family at 3 levels of living, urban United States, autumn 1973

	Lower budget	Intermediate budget	Higher budget
Total budget	\$8,181	\$12,626	\$18,201
Total family consumption	6,580	9,761	13,450
Food	2,440	3,183	4,020
Housing	1,627	2,908	4,386
Transportation	563	1,014	1,315
Clothing	696	995	1,456
Personal care	205	275	390
Medical care	660	664	692
Other family consumption	389	722	1,191
Other items	385	611	1,024
Taxes	1,216	2,254	3,727
Social security and disability	492	647	647
Personal income taxes	724	1,607	3,080

Consumption Costs

Budgets covering consumption items only--food, housing, transportation, clothing, medical care, etc.--were updated to autumn 1973 by applying changes in the Consumer Price Index to the autumn 1972 costs for each main class of goods and services. The last direct pricing for the budgets was in 1969. The budgets do not represent how families of this type actually spend their money. Rather, they reflect the

assumptions made about the manner of living at each of the three levels. New information on actual spending patterns will not be available until the 1972-73 Survey of Consumer Expenditures, now in process, is completed.

Food-at-home costs in the budgets are based on quantities in the low-, moderate-, and liberal-cost food plans, developed by the U.S. Department of Agriculture in accordance with nutritional standards formulated by the National Research Council of the National Academy of Sciences. The food total also includes an allowance for a specified number of meals away from home at each level. Food costs accounted for 37 percent of the consumption total at the lower level, 33 percent at the intermediate, and 30 percent at the higher level.

In contrast to food, total housing (including not only shelter, but also housefurnishings and household operations) accounted for a rising budget share as the budget level rose. At the lower level, where the shelter component provided only for a rented dwelling unit, 25 percent of all consumption was allocated to housing. Housing accounted for 30 percent of the intermediate and 33 percent of the higher budget. The average for shelter in the two latter budgets reflects primarily homeownership costs, which include average mortgage interest and principal payments for a house purchased 6 years ago.

Medical care costs at the three budget levels include a family membership in a group hospital and surgical insurance plan, plus a specified number of visits to physicians, provisions for dental and eye care, and prescriptions. The higher budget also provides for major medical insurance coverage. Costs of these provisions for medical care amounted to 10 percent of consumption costs at the lower level, and 7 and 5 percent of consumption costs at the intermediate and higher levels, respectively.

At the lower level, the components of consumption came to 80 percent of the total budget. The remaining 20 percent covered gifts and contributions, occupational

expenses, life insurance, and social security and personal income taxes. In the intermediate budget, consumption items represented 77 percent of the total budget. For the higher budget, these items were 74 percent of the total budget.

Consumption Budgets for Different Family Types¹

How family consumption budgets that provide an equivalent level of living vary for urban families of different size and composition is shown in table B.

Table B. Annual consumption budgets for selected family types, urban United States, autumn 1973 ^{1/}

Family size, type and age	Lower level	Intermediate level	Higher level
Single person, under 35 years	\$2,300	\$3,420	\$4,710
Husband and wife under 35 years:			
No children	3,220	4,780	6,590
1 child under 6	4,080	6,050	8,340
2 children, older under 6	4,740	7,030	9,680
Husband and wife, 35-54 years:			
1 child, 6-15 years	5,400	8,000	11,030
<u>2 children, older 6-15 years</u> ^{2/}	6,580	9,761	13,450
3 children, oldest 6-15 years	7,630	11,320	15,600
Husband and wife, 65 years and over ^{3/}	3,360	4,980	6,860
Single person, 65 years and over ^{4/}	1,840	2,730	3,770

^{1/} For details on estimating procedures, see "Revised Equivalence Scale," BLS Bulletin 1570-2.

^{2/} Costs for the BLS Budgets for a 4-Person Family from which estimates for other family types are derived.

^{3/} Estimated from equivalence scale value of 51 percent of the base (4-person) family. Costs based on detailed BLS Budgets for a Retired Couple may differ slightly from estimates obtained by the scale value.

^{4/} Estimated from equivalence scale value of 28 percent of the base (4-person) family. May differ slightly from estimates obtained by applying a ratio of 55 percent to the BLS Budget for a Retired Couple.

Changes in Budgets, 1972-73

Changes in the various components of the budgets between autumn 1972 and 1973 are shown in table C.

Between autumn 1972 and 1973, consumption costs rose by 9 percent in the lower budget and 8 percent in the intermediate and higher budgets, primarily because of the very substantial increases in food prices over this period. At each budget level, the rise in food costs was more than triple the increase in any other consumption component. Among the three levels, the change in food costs in the higher budget was greatest, because the liberal-cost food plan used for this budget level includes larger quantities of meat, poultry, and fish for which prices increased most sharply over the period. However, food comprises a substantially larger portion of, and therefore has a greater impact on the change in, the total cost of consumption at the lower budget level.

In the lower budget, shelter is limited to rental housing costs which increased by 4.7 percent between autumn 1972 and 1973. In the intermediate and higher budgets, 75-85 percent of the families are assumed to be homeowners who purchased their homes 6 years ago. Hence a substantial portion of their shelter costs (principal and interest payments) do not reflect the current increases in home purchase costs reported by the Consumer Price Index. For this updating of the budgets, these costs were adjusted to reflect changes reported by the Consumer Price Index in home purchase and mortgage interest rates between 1966 and 1967--a period when mortgage interest rates declined slightly. Among the other components of owner costs, which reflect changes between 1972 and 1973, increases were attributable to fuel and utilities and repair and maintenance items. Property tax increases had slowed substantially, compared with the previous 5 years.

Table C. Percent changes in 4-person family budgets, autumn 1972 to autumn 1973

Component	Budget level		
	Lower	Inter- mediate	Higher
Food-----	18.6	19.1	19.3
Housing-----	4.7	3.5	3.6
Shelter-----	4.7	3.2	3.2
Renter costs-----	4.7	4.7	4.9
Homeowner costs*-----	-	2.9	2.9
Housefurnishings & operations-----	4.9	4.7	4.5
Transportation-----	3.1	3.6	3.5
Clothing-----	4.0	4.1	4.0
Personal care-----	5.1	5.4	5.4
Medical care-----	4.9	5.1	5.0
Other family consumption-----	2.9	2.9	2.8
Total consumption less shelter-----	10.3	10.0	9.4
Total consumption-----	9.1	8.3	7.9
Other items-----	5.5	6.1	5.9
Social security-----	23.9	34.6	34.2
Personal income taxes-----	21.6	16.9	16.4
Total budget-----	10.8	10.3	9.9

*Reflects changes in purchase prices and mortgage interest rates from 1966 to 1967 and changes in property taxes, insurance, fuel and utilities, and repairs and maintenance from 1972 to 1973.

Total costs--including social security payments and Federal, State, and local income taxes--rose over the year by 10.8 percent at the lower level, 10.3 percent at the intermediate, and 9.9 percent at the higher level. From 1972 to 1973, both the social security tax rate changed--from 5.25 to 5.85 percent--and the maximum income on which contributions are made into the Social Security system increased--from \$9,000 to \$10,800. At the lower budget level where incomes needed to purchase the specified goods and services were below the \$9,000 level in 1972 (except in Anchorage and Honolulu), the 24 percent increase in social security deductions resulted from the rate change and the higher level of income needed to purchase the specified goods and services. At the other two budget levels, these deductions increased over the year by a third. Federal tax rates remained constant between 1972 and 1973, and the increases

shown reflect higher marginal tax rates applicable to the income required to purchase an equivalent level of consumption at autumn 1973 price levels.

Difference in Budgets Among Urban Areas

Area indexes, representing differences in budget costs for an equivalent level of living, reflect not only differences among the areas in price levels, but also regional variations in consumption patterns, differences in climate and types of transportation facilities, and taxes.

For the lower budget, costs were 9 percent higher in metropolitan than in non-metropolitan urban areas. The metropolitan-nonmetropolitan difference was 14 percent for the intermediate budget and 19 percent for the higher. Total budget levels were lowest in small cities in the South. Excluding Honolulu and Anchorage, interarea differences were smallest in the case of the lower budget and widened as the budget level rose.

All indexes relate to budgets for established families in each area. They do not measure cost differences associated with moving from one area to another or the living costs of newly arrived residents in a given community.

Further details on the indexes are presented in tables 4, 5, and 6.

Methods of Calculation

The 1973 consumption budgets were derived by applying price changes between autumn 1972 and autumn 1973, reported in the Consumer Price Index for individual areas, to the appropriate autumn 1972 final budget for each main class of goods and services. Budget mortgage payments for a home purchased 6 years ago were estimated by applying the changes reported by Consumer Price Index in home purchase and mortgage interest rates between 1966 and 1967 to the costs reported for these items in the spring 1972 budgets. This method of updating is approximate because the Consumer Price Index reflects spending patterns and prices paid for commodities and services

purchased by urban wage earners and clerical workers generally, without regard to their family type and level of living. Other items were also updated to autumn 1973.

Personal income taxes and Old Age, Survivors, Disability and Health Insurance (OASDHI) rates were computed from tax rates in effect for 1973.

The budget costs are annual estimates reflecting autumn price levels.

Because of the time required to compute the budget costs for three levels of living for each of the published areas at the required level of disaggregation, BLS is not able to provide estimates at current price levels. During the period from autumn 1973 to April 1974, the All Items Consumer Price Index for the U.S. rose 5.4 percent. However, the change in the total family budget differs from the change in the U.S. All Items CPI for at least three important reasons: (1) the CPI does not take account of changes in personal taxes, (2) the consumption weights used in the CPI are different from the consumption weights used in the budgets, and (3) treatment of home-owner costs is different.

The sources of data, methods of calculation, and quantities of goods and services for each budget level are described in detail in BLS Bulletin 1570-5, Three Standards of Living for an Urban Family of Four Persons (spring 1967). Copies may be obtained at a cost of \$8.00 from the National Technical Information Service, U.S. Department of Commerce, Springfield, Virginia 22151. A supplement, with budgets for spring 1969-70, is also available from any BLS Regional Office listed below.

Region I
1603 Federal Bldg.
Boston, Mass. 02203

Region II
1515 Broadway
New York, N.Y. 10036

Region III
P. O. Box 13309
Philadelphia, Pa. 19101

Region IV
1371 Peachtree St., N.E.
Atlanta, Ga. 30309

Region V
300 South Wacker Dr.
Chicago, Ill. 60606

Region VI
1100 Commerce, Bm. 6B7
Dallas, Tex. 75202

Regions VII and VIII
911 Walnut St.
Kansas City, Mo. 64106

Regions IX and X
Box 36017
San Francisco, Calif. 94102

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Table 1. Annual costs of a lower budget for a 4-person family, 1/2 annum 1977

Area	Total budget	Total consumption	Family consumption				House-furnishings & operations
			Total	Food at home	Food away from home	Shelter \$/ (renter cost)	
Urban United States	\$ 8,181	\$ 6,580	\$ 2,640	\$ 2,118	\$ 322	\$ 1,461	\$ 366
Metropolitan areas 2/	8,205	7,469	2,649	2,133	336	1,389	364
Nonmetropolitan areas 3/	7,616	6,192	2,310	2,052	258	1,136	373
Northwest:							
Boston, Mass	8,908	7,057	2,566	2,252	314	1,573	382
Buffalo, N.Y.	8,201	6,601	2,486	2,176	310	1,500	372
Chicago, Ill.	8,909	7,385	2,737	2,327	410	1,600	367
Los Angeles, Calif.	8,141	7,148	2,645	2,237	411	1,428	382
San Francisco-Oakland, Calif.	8,461	6,925	2,689	2,158	531	1,195	380
Seattle-Tacoma, Wash.	8,615	6,544	2,578	2,131	447	1,317	390
Pittsburgh, Pa.	8,002	6,331	2,447	2,111	336	1,482	351
Portland, Me.	8,283	6,782	2,463	2,140	343	1,461	395
Nonmetropolitan areas 3/	7,960	6,411	2,467	2,139	328	1,415	395
North Central:							
Cedar Rapids, Iowa	7,933	6,326	2,287	1,982	305	1,242	356
Chicago, Ill.	8,582	6,890	2,466	2,151	313	1,317	373
Chicago, Ill.—Northwestern Ind.	8,635	6,940	2,553	2,260	293	1,396	372
Cincinnati, Ohio-Ky. Ind.	7,733	6,240	2,439	2,127	312	1,179	335
Cleveland, Ohio	8,105	6,542	2,427	2,127	300	1,179	355
Dayton, Ohio	7,785	6,291	2,427	2,127	298	1,125	357
Detroit, Mich.	7,925	6,258	2,540	2,201	339	1,472	326
Indianapolis, Ind.	8,171	6,580	2,270	1,993	277	1,166	306
St. Louis, Mo.	8,220	6,413	2,413	2,100	313	1,250	358
Kansas City, Mo.—Kansas	8,096	6,538	2,481	2,161	320	1,303	350
Milwaukee, Wis.	8,472	6,672	2,399	2,005	394	1,135	358
Minneapolis-St. Paul, Minn.	8,269	6,503	2,399	2,005	394	1,135	350
St. Louis, Mo.—Ill.	8,096	6,538	2,481	2,161	320	1,303	350
St. Paul, Minn.	8,196	6,332	2,321	2,192	329	1,260	369
Wichita, Kan.	7,921	6,363	2,363	2,066	297	1,181	351
South:							
South: metropolitan areas 3/	7,921	6,373	2,335	2,092	243	1,285	370
Atlanta, Ga.	7,716	6,313	2,366	2,020	346	1,136	388
Austin, Tex.	7,233	5,975	2,218	1,846	376	876	375
Baltimore, Md.	8,425	6,646	2,360	2,076	284	1,357	392
Baton Rouge, La.	7,425	6,046	2,360	2,076	284	1,015	353
Birmingham, Ala.	7,425	6,168	2,304	1,852	452	1,067	354
Birmingham, Ala.	7,923	6,360	2,286	1,997	289	1,067	378
Houston, Tex.	7,532	6,205	2,323	1,969	354	1,250	378
Knoxville, Tenn.	7,583	6,235	2,277	1,982	295	1,111	368
Orlando, Fla.	7,827	6,433	2,400	2,088	314	1,417	376
San Antonio, Tex.	8,247	6,433	2,400	2,136	264	1,480	360
Washington, D.C.—Va.	8,547	6,945	2,361	1,978	383	1,031	383
Nonmetropolitan areas 3/	7,253	5,945	2,261	1,978	283	1,416	363
West:							
Bozeman, Mont.	7,827	6,396	2,361	2,058	323	1,496	356
Bozeman, Mont.	7,876	6,430	2,363	2,058	308	1,395	356
Denver, Colo.	8,525	6,875	2,366	2,076	290	1,429	356
Los Angeles-Long Beach, Calif.	8,229	6,875	2,366	2,076	290	1,367	359
San Diego, Calif.	8,497	6,875	2,450	2,126	324	1,696	371
San Francisco-Oakland, Calif.	8,497	6,875	2,500	2,126	324	1,609	371
Seattle-Tacoma, Wash.	9,924	7,401	2,500	2,171	329	1,340	384
Spokane, Wash.	8,247	6,433	2,400	2,088	314	1,417	376
Portland, Ore.	8,247	6,433	2,400	2,088	314	1,417	376
Nonmetropolitan areas 3/	7,890	6,394	2,306	2,057	249	1,216	427
Anchorage, Alaska	12,010	9,366	2,848	2,581	287	1,581	478

See forecasts following Table 3.

LEON, David, compiled.

Area	Transportation $\frac{1}{2}$					Family consumption					Other family items $\frac{1}{10}$	Social security payments	Personal income taxes	
	Total	Automobile	Clothing	Personal care	Medical care $\frac{1}{10}$	Other family consumption $\frac{1}{2}$	Other items $\frac{1}{10}$							
Urban United States-----	\$ 543	\$ 743	\$ 696	\$ 205	\$ 640	\$ 389	\$ 385	\$ 492	\$ 724					
Metropolitan areas $\frac{1}{2}$ -----	538	748	649	211	643	406	380	502	749					
Nonmetropolitan areas $\frac{1}{2}$ -----	875	875	649	179	557	313	374	449	611					
Northeast:														
Boston, Mass-----	559	896	687	216	644	430	400	527	1,004					
Buffalo, N.Y.-----	592	794	767	206	585	409	386	495	719					
Chicago, Ill.-----	592	807	751	256	655	444	406	521	727					
Cleveland, Ohio-----	482	897	725	187	576	379	379	474	867					
New York-Northeastern N.Y.-----	516	827	675	208	720	439	396	529	811					
Philadelphia, Pa.-N.J.-----	543	827	675	212	575	410	374	499	988					
Pittsburgh, Pa.-----	528	716	664	212	575	374	374	499	988					
Portland, Me.-----	528	725	669	199	623	430	390	486	625					
Nonmetropolitan areas $\frac{1}{2}$ -----	704	704	648	171	597	317	380	485	684					
Middle West:														
Chicago, Ill.-----	486	665	757	210	595	391	378	482	749					
Chicago, Ill.-Northwestern Ill.-----	506	681	768	207	667	383	395	503	794					
Chicago, Ill.-Northwestern Ind.-----	580	905	715	227	667	383	395	503	794					
Cincinnati, Ohio-Ky.-Ind.-----	519	704	697	201	579	402	379	503	798					
Cleveland, Ohio-----	586	754	702	235	655	405	384	474	705					
Dayton, Ohio-----	514	679	674	199	586	411	377	458	641					
Green Bay, Wis.-----	358	439	404	227	604	399	345	483	804					
Indianapolis, Ind.-----	583	755	685	213	572	374	374	462	826					
Indianapolis, Ind.-Kans.-----	581	750	703	228	640	419	385	480	756					
Kansas City, Mo.-Kans.-----	546	706	715	213	621	394	382	440	802					
Milwaukee, Wis.-----	539	732	723	219	622	407	383	486	897					
Minneapolis-St. Paul, Minn.-----	613	790	675	213	598	389	383	472	696					
St. Louis, Mo.-----	613	790	675	203	643	381	378	472	630					
St. Louis, Mo.-Ill.-----	612	695	683	200	643	381	378	472	630					
Wichita, Kan.-----	462	602	606	185	548	322	377	483	708					
South:														
Atlanta, Ga.-----	513	698	645	224	631	418	377	450	576					
Austin, Tex.-----	503	688	694	212	616	389	367	421	620					
Baltimore, Md.-----	544	744	698	215	777	395	367	491	910					
Boston, Mass.-----	409	707	618	212	584	395	369	427	491					
Dallas, Tex.-----	529	711	653	214	758	373	373	439	514					
Durham, N.C.-----	489	689	655	213	705	396	379	482	722					
Houston, Tex.-----	511	699	655	202	705	396	379	482	722					
Memphis, Tenn.-----	334	511	740	196	577	406	374	429	514					
Oakland, Fla.-----	500	682	639	192	692	403	381	456	557					
Oakland, Fla.-Va.-----	558	732	648	192	665	411	392	499	662					
Washington, D.C.-Md.-Va.-----	642	682	648	177	529	356	366	426	518					
Nonmetropolitan areas $\frac{1}{2}$ -----	662	662	612	177	529	356	366	426	518					
West:														
Bakersfield, Calif.-----	534	750	696	211	734	364	380	534	517					
Denver, Colo.-----	536	720	834	196	630	340	380	497	677					
Los Angeles-Long Beach, Calif.-----	587	799	736	202	816	383	384	582	982					
San Diego, Calif.-----	566	775	747	202	769	370	368	562	622					
San Francisco-Oakland, Calif.-----	586	837	786	229	744	406	403	610	745					
Seattle-Tacoma, Wash.-----	621	819	789	211	703	394	394	491	647					
Honolulu, Hawaii-----	621	879	789	211	694	412	422	579	1,122					
Nonmetropolitan areas $\frac{1}{2}$ -----	694	696	718	188	694	380	380	482	642					
Anchorage, Alaska-----	920	920	856	243	1,018	369	470	675	1,479					

See footnotes following Table 3.

Table 2. Annual costs of an intermediate budget for a 4-person family, 1/2 octum 1973

Area	Family consumption					Housing 1/2			House-furnishings & operations
	Total consumption	Food		Total housing	Shelter		Household costs 1/2		
		Food at home	Food away from home		Total shelter 1/2	Renter costs 1/2			
Urban United States	811,426	93,183	82,700	8483	81,908	82,283	91,433	81,400	8625
Metropolitan areas 1/2	12,909	3,223	2,712	511	3,003	2,810	3,003	2,010	825
Nonmetropolitan areas 1/2	11,363	3,009	2,649	380	2,405	1,857	1,388	2,012	632
Northeast:									
Buffalo, N.Y.	16,893	3,449	2,960	489	4,069	3,380	1,928	3,861	649
Buffalo, N.Y.	13,223	3,303	2,795	508	3,064	2,438	1,718	2,645	636
Buffalo, N.Y.	13,721	3,673	2,911	562	3,361	2,737	1,757	3,361	656
Lancaster, Pa.	9,451	3,273	2,816	461	3,625	2,976	1,552	2,514	591
New York-Northeastern N.J.	11,019	3,156	2,871	553	3,625	2,976	1,878	3,342	649
Philadelphia, Pa.-N.J.	16,448	3,826	3,256	518	4,322	3,632	2,406	3,632	615
Pittsburgh, Pa.	12,022	3,276	2,756	518	3,793	3,023	2,132	2,632	610
Pittsburgh, Pa.	12,694	3,384	2,916	469	3,853	3,261	1,656	2,643	665
Nonmetropolitan areas 1/2	12,334	3,131	2,842	389	2,930	2,411	1,466	2,611	605
North Central:									
Cedar Rapids, Iowa	12,603	2,920	2,480	440	3,123	2,353	1,637	2,591	594
Chicago, Ill.	10,925	3,268	2,779	482	3,133	2,608	2,107	2,615	635
Chicago, Ill.-Metropolitan Ind.	12,843	3,119	2,657	462	3,184	2,578	1,863	2,818	615
Cleveland, Ohio	9,423	3,095	2,575	520	2,697	2,126	1,339	2,386	573
Cleveland, Ohio	12,806	3,095	2,575	520	3,134	2,508	1,438	2,884	628
Dayton, Ohio	11,715	3,102	2,675	427	2,493	1,892	1,438	2,400	583
Detroit, Mich.	12,810	3,279	2,773	506	2,887	2,263	1,518	2,685	655
Green Bay, Wis.	9,411	2,146	2,645	469	3,023	2,426	1,623	2,691	599
Indianapolis, Ind.	12,428	3,164	2,710	454	2,691	2,071	1,520	2,236	620
Indianapolis, Ind.	12,357	2,957	2,501	456	3,261	2,656	1,672	2,981	607
Kansas City, Mo.-Kansas	12,488	3,067	2,608	459	2,790	2,193	1,628	2,381	577
Minneapolis-St. Paul, Minn.	13,211	3,238	2,727	511	2,728	2,025	1,481	2,311	620
St. Louis, Mo.-Ill.	12,390	2,979	2,567	412	2,503	2,025	1,481	2,311	620
Wichita, Kansas	11,876	2,979	2,567	412	2,503	2,025	1,481	2,311	620
Nonmetropolitan areas 1/2	11,760	2,987	2,648	339	2,672	2,087	1,981	2,303	625
South:									
Atlanta, Ga.	11,684	3,095	2,619	476	2,176	1,411	1,897	1,897	642
Atlanta, Ga.	10,959	2,899	2,653	466	2,183	1,960	1,645	1,645	623
Baltimore, Md.	12,319	3,098	2,577	521	3,229	2,577	1,827	2,329	607
Baton Rouge, La.	11,368	3,136	2,685	451	2,340	1,851	1,451	1,851	596
Baltimore, Md.	9,059	2,884	2,378	426	2,402	1,851	1,451	1,851	591
Burham, N.C.	12,111	3,069	2,529	520	2,602	1,976	1,640	2,081	630
Burham, N.C.	12,111	3,069	2,529	520	2,602	1,976	1,640	2,081	630
Burham, N.C.	12,111	3,069	2,529	520	2,602	1,976	1,640	2,081	630
Charlotte, N.C.	11,667	2,966	2,558	410	2,592	1,951	1,390	1,807	620
Charlotte, N.C.	9,011	2,889	2,425	464	2,535	1,915	1,350	1,738	641
Ocala, Fla.	13,043	3,298	2,795	503	2,980	2,330	1,770	1,976	619
Washington, D.C.-Va.	10,766	2,982	2,597	384	2,860	2,330	1,770	2,318	627
Nonmetropolitan areas 1/2	11,761	2,987	2,597	384	2,860	2,330	1,770	2,318	627
West:									
San Francisco-Oakland, Calif.	12,107	2,996	2,538	468	2,323	1,926	1,474	2,074	599
San Francisco-Oakland, Calif.	12,520	3,067	2,680	527	2,816	2,333	1,640	2,163	645
San Diego, Calif.	12,316	2,912	2,426	488	2,906	2,333	1,733	2,488	607
San Francisco-Oakland, Calif.	13,378	3,182	2,671	506	3,345	2,864	1,597	2,488	625
Seattle-Tacoma, Wash.	12,667	3,132	2,621	511	3,009	2,492	1,551	2,466	640
Seattle-Tacoma, Wash.	14,937	3,182	2,671	506	3,709	3,009	2,355	3,255	701
Seattle-Tacoma, Wash.	14,937	3,182	2,671	506	3,709	3,009	2,355	3,255	701
Nonmetropolitan areas 1/2	16,330	3,532	3,169	383	4,259	3,721	3,228	3,985	808

See footnotes following Table 3.

Information below omitted:

Area	Transportation β		Family consumption				Other family consumption β	Other items β	Social security & disability payments	Personal income taxes
	Auto	Automobile repairs	Personal care β	Medical care β	Clothing	Personal care β				
Urban United States	1,024	1,063	895	846	895	872	811	847	1,407	
Metropolitan areas β	1,019	1,080	1,012	646	1,012	746	1,176	835	1,317	
Nonmetropolitan areas β	991	991		560		602	578			
Northwest:										
Bozeman, Mont.	1,045	1,226	920	282	920	794	663	632	2,353	
Buffalo, N.Y.	1,100	1,126	1,080	282	1,080	759	623	647	1,784	
Meriden, Conn.	1,163	1,163	1,078	348	1,078	656	632	632	1,338	
Lancaster, Pa.	995	995	1,048	259	1,048	785	680	656	2,138	
New York-New Rochelle W. J.	957	1,131	999	278	999	815	655	656	2,138	
Wilmington, Pa. W. J.	945	1,136	974	271	974	764	616	639	1,909	
Portland, Me.	1,025	1,025	999	280	999	577	599	632	1,644	
Portland, Me. W. J.	1,051	1,051	999	280	999	778	618	632	1,655	
Nonmetropolitan areas β	1,013	1,013	902	283	902	600	603	631	1,530	
North Central:										
Cedar Rapids, Iowa	1,028	1,028	1,079	600	1,079	728	685	632	1,779	
Chicago-North, Ill.	1,023	1,164	1,164	276	1,164	709	622	632	1,586	
Chicago, Ill. Suburban area	1,009	1,234	1,030	293	1,030	699	639	632	1,657	
Chicago, Ill. Central city	1,024	1,024	999	282	999	783	599	632	1,483	
Cleveland, Ohio	1,071	1,071	1,048	348	1,048	757	618	632	1,569	
Cleveland, Ohio W. J.	983	983	1,048	280	1,048	689	618	632	1,335	
Detroit, Mich.	1,011	1,069	1,002	302	1,002	751	618	632	1,715	
Detroit, Mich. W. J.	1,011	1,069	1,002	302	1,002	695	580	632	1,514	
Green Bay, Wis.	1,126	1,126	1,062	275	1,062	573	617	632	1,564	
Indianapolis, Ind.	1,097	1,097	1,061	262	1,061	731	640	632	1,347	
Indianapolis, Ind. W. J.	1,097	1,097	1,061	262	1,061	731	615	632	1,609	
Minneapolis-St. Paul, Minn.	1,026	1,026	1,022	276	1,022	752	605	632	2,194	
Minneapolis-St. Paul, Minn. W. J.	1,026	1,026	1,022	276	1,022	668	605	632	2,194	
St. Louis, Mo.-Ill.	1,100	1,100	979	272	979	715	595	632	1,821	
St. Louis, Mo. W. J.	1,020	1,020	979	272	979	715	595	632	1,821	
Wichita, Kans.	996	996	940	266	940	552	586	632	1,495	
South:										
Atlanta, Ga.	1,005	1,005	964	636	964	731	589	632	1,812	
Atlanta, Ga. W. J.	999	999	964	636	964	731	589	632	1,812	
Baltimore, Md.	1,029	1,029	1,022	272	1,022	728	578	632	1,890	
Baltimore, Md. W. J.	1,029	1,029	1,022	272	1,022	728	578	632	1,890	
Baton Rouge, La.	1,001	1,001	992	277	992	588	598	632	1,479	
Baton Rouge, La. W. J.	1,001	1,001	992	277	992	588	598	632	1,479	
Birmingham, Ala.	1,018	1,018	950	282	950	721	582	632	1,809	
Birmingham, Ala. W. J.	978	978	937	277	937	707	593	632	1,628	
Durham, N.C.	1,010	1,010	932	280	932	712	566	632	1,115	
Durham, N.C. W. J.	1,010	1,010	932	280	932	712	566	632	1,115	
Memphis, Tenn.	1,040	1,040	1,105	258	1,105	579	593	632	1,880	
Memphis, Tenn. W. J.	1,040	1,040	1,105	258	1,105	579	593	632	1,880	
Orlando, Fla.	964	964	937	272	937	717	595	632	1,831	
Orlando, Fla. W. J.	964	964	937	272	937	717	595	632	1,831	
Washington, D.C.-Md.-Va.	982	982	881	249	881	591	564	632	1,489	
Washington, D.C.-Md.-Va. W. J.	982	982	881	249	881	591	564	632	1,489	
West:										
Bakersfield, Calif.	1,014	1,014	961	277	961	685	590	722	2,264	
Bakersfield, Calif. W. J.	1,014	1,014	961	277	961	685	590	722	2,264	
Los Angeles-Long Beach, Calif.	1,009	1,009	1,131	264	1,131	656	707	632	1,812	
Los Angeles-Long Beach, Calif. W. J.	1,009	1,009	1,131	264	1,131	656	707	632	1,812	
San Diego, Calif.	1,054	1,054	1,009	268	1,009	701	612	722	1,396	
San Diego, Calif. W. J.	1,054	1,054	1,009	268	1,009	701	612	722	1,396	
San Francisco-Oakland, Calif.	1,079	1,126	1,009	312	1,009	696	603	722	1,339	
San Francisco-Oakland, Calif. W. J.	1,079	1,126	1,009	312	1,009	696	603	722	1,339	
Seattle- Everett, Wash.	1,039	1,039	1,079	283	1,079	728	625	722	1,578	
Seattle- Everett, Wash. W. J.	1,039	1,039	1,079	283	1,079	728	625	722	1,578	
San Jose, Calif.	1,164	1,164	1,000	299	1,000	698	661	632	2,431	
San Jose, Calif. W. J.	1,164	1,164	1,000	299	1,000	698	661	632	2,431	
Nonmetropolitan areas β	971	971	1,000	276	1,000	756	583	632	1,651	
Nonmetropolitan areas β W. J.	971	971	1,000	276	1,000	756	583	632	1,651	
San Diego, Calif. W. J.	1,233	1,233	1,179	364	1,179	601	789	632	2,378	
San Diego, Calif. W. J. W. J.	1,233	1,233	1,179	364	1,179	601	789	632	2,378	

See footnotes following Table 3.

Table 3. Annual costs of a higher budget for a 4-person family, 1/ autumn 1973

Area	Total budget	Total consumption	Food			Food away from home	Total housing	Housing 4/		House-furnishings & operations
			Total	Food at home	Shelter			Renter costs 3/	Homemaker costs 3/	
Urban United States	\$18,201	\$13,450	\$4,020	\$3,238	\$82	\$4,386	\$1,067	\$2,572	\$1,154	\$1,182
Metropolitan areas 2/	18,760	13,826	4,098	3,251	87	4,586	1,076	2,607	1,187	1,210
Nonmetropolitan areas 3/	15,708	11,770	3,670	3,170	492	3,816	2,402	1,758	2,516	1,159
Northeast:										
Boston, Mass.	21,866	15,764	4,303	3,478	825	6,140	4,709	3,013	3,008	1,276
Buffalo, N.Y.	18,820	13,704	4,105	3,290	815	4,463	3,068	2,338	3,193	1,270
Hartford, Conn.	19,127	14,627	4,215	3,423	792	4,815	3,456	2,782	3,066	1,276
Lancaster, Pa.	17,400	12,627	3,815	3,038	777	4,162	2,856	2,162	2,826	1,134
Philadelphia, Pa.	21,866	16,427	4,611	3,638	973	5,599	4,162	3,910	4,207	1,782
Philadelphia, Pa., N.E.	18,851	13,706	4,279	3,391	888	4,246	2,884	2,484	3,835	1,207
Pittsburgh, Pa.	17,703	13,099	4,111	3,259	852	4,000	2,668	1,854	2,817	1,177
Portland, Maine	17,578	13,282	4,207	3,438	769	4,141	2,749	2,086	2,866	1,237
Nonmetropolitan areas 3/	16,913	12,592	3,932	3,354	568	4,107	2,927	1,776	3,130	1,145
North Central:										
Cedar Rapids, Iowa	18,182	13,218	3,722	2,989	733	4,457	3,172	2,603	3,273	1,129
Chicago, Ill.	18,723	13,987	4,002	3,295	707	4,783	3,412	2,935	3,496	1,216
Chicago, Ill.-Northwestern Ind.	18,919	14,125	4,130	3,363	767	4,620	3,274	2,875	3,364	1,191
Cincinnati, Ohio-Ky.-Ind.	16,896	12,665	3,951	3,230	721	3,671	2,630	1,697	2,795	1,086
Cleveland, Ohio	18,172	13,598	3,932	3,119	813	4,551	3,207	2,018	3,179	1,129
Dayton, Ohio	16,912	12,746	3,894	3,238	656	4,166	3,050	2,595	3,130	1,161
Detroit, Mich.	18,711	13,146	3,771	3,142	629	4,385	2,994	2,152	3,143	1,236
Indianapolis, Ind.	18,074	13,635	3,973	3,220	753	4,234	3,233	2,027	3,464	1,146
Kansas City, Mo.-Kans.	18,126	13,439	4,114	3,297	817	4,289	2,829	2,188	2,942	1,184
Milwaukee, Wis.	19,186	13,634	3,813	3,067	746	4,627	3,325	2,252	3,314	1,155
Minneapolis-St. Paul, Minn.	18,970	13,129	3,951	3,168	783	4,460	3,240	2,420	3,185	1,191
St. Louis, Mo.-Ill.	17,777	12,777	3,789	3,113	676	3,988	2,673	1,922	2,805	1,160
Tulsa, Okla.	16,914	12,773	3,789	3,113	676	3,988	2,673	1,922	2,805	1,160
Nonmetropolitan areas 3/	16,471	12,188	3,693	3,228	465	3,919	2,491	1,905	2,830	1,173
South:										
Atlanta, Ga.	16,683	12,521	3,943	3,148	795	3,618	2,323	2,025	2,375	1,151
Austin, Tex.	15,743	12,176	3,739	2,946	793	3,442	2,169	1,788	2,158	1,138
Baltimore, Md.	18,192	13,000	4,083	3,230	751	3,871	2,664	1,975	2,762	1,072
Baton Rouge, La.	16,625	12,704	3,656	2,854	840	3,913	2,668	2,636	2,636	1,090
Durham, N.C.	17,206	12,559	3,810	3,136	694	3,773	2,486	2,012	2,570	1,132
Houston, Tex.	16,188	12,495	3,907	3,041	866	3,376	2,282	1,868	2,335	1,139
Nashville, Tenn.	16,633	12,835	3,699	3,058	641	4,001	2,694	2,431	2,823	1,159
Orlando, Fla.	16,210	12,516	3,624	2,910	714	3,150	2,100	1,623	2,123	1,133
Washington, D.C.-Va.	18,860	13,246	4,062	3,106	956	3,862	2,556	1,828	3,128	1,170
Nonmetropolitan areas 3/	16,830	11,946	3,603	3,106	497	3,268	2,068	1,642	2,136	1,145
West:										
Bakersfield, Calif.	16,511	12,467	3,747	3,077	670	3,787	2,498	2,624	2,624	1,134
Denver, Colo.	17,422	12,875	3,883	3,095	788	3,917	2,608	2,601	2,601	1,154
Los Angeles-Long Beach, Calif.	16,489	13,800	3,950	3,025	925	4,659	3,326	2,869	3,385	1,026
San Diego, Calif.	17,763	13,302	3,625	3,181	864	4,915	3,505	3,236	3,552	1,236
San Francisco-Oakland, Calif.	17,926	13,767	4,058	3,269	809	5,600	3,267	2,435	3,434	1,178
Seattle, Wash.	17,926	13,767	4,058	3,269	809	5,600	3,267	2,435	3,434	1,178
Honolulu, Hawaii	21,901	15,463	4,614	3,729	885	5,460	4,347	3,445	4,506	1,256
Nonmetropolitan areas 3/	15,730	11,679	3,490	3,086	404	3,611	2,327	1,697	2,438	1,259
Anchorage, Alaska	23,011	16,589	4,376	3,850	526	6,376	4,813	4,069	4,944	1,508

See footnotes at end of table.

Higher budget continued.

Area	Transportation $\frac{1}{2}$				Family consumption				Social security & disability payments	Personal income taxes
	Total	Automobile owners			Personal care	Medical care $\frac{1}{3}$	Other family consumption $\frac{1}{3}$	Other items $\frac{1}{3}$		
Urban United States.....	\$1,315	\$1,315			3390	892	\$1,191	\$1,024	\$647	\$1,080
Metropolitan areas $\frac{2}{3}$	1,315	1,315			373	716	1,239	1,063	650	1,241
Nonmetropolitan areas $\frac{1}{3}$	1,209	1,209			373	385	979	961	635	2,362
Northeast:										
Buffalo, N.Y.....	1,467	1,467			393	677	1,301	1,140	632	4,450
Hartford, Conn.....	1,309	1,309			384	613	1,037	1,037	647	3,532
Lancaster, Pa.....	1,212	1,212			487	868	1,347	1,083	632	2,785
New York-Northeastern M.J.....	1,310	1,310			402	753	1,205	996	632	2,963
Philadelphia, Pa.-N.J.....	1,371	1,371			378	708	1,278	1,033	654	4,590
Pittsburgh, Pa.....	1,248	1,248			391	502	1,262	1,007	632	2,965
Washington, D.C.-Md.-Va.....	1,508	1,508			365	644	1,264	1,016	632	2,648
Nonmetropolitan areas $\frac{2}{3}$	1,248	1,248			363	624	1,013	982	651	2,648
North Central:										
Cedar Rapids, Iowa.....	1,266	1,266			386	623	1,195	1,033	632	3,320
Champaign-Urbana, Ill.....	1,258	1,258			389	686	1,182	1,051	632	3,120
Chicago, Ill-Northwestern Ind.....	1,485	1,485			404	725	1,249	1,058	632	3,124
Cincinnati, Ohio-Sy.-Ind.....	1,244	1,244			360	607	1,173	985	632	2,614
Cleveland, Ohio.....	1,280	1,280			434	690	1,237	1,032	632	2,910
Dayton, Ohio.....	1,200	1,200			353	612	1,222	989	632	2,545
Detroit, Mich.....	1,266	1,266			376	682	1,155	1,034	632	3,283
Green Bay, Wis.....	1,219	1,219			374	682	1,152	1,034	632	2,714
Indianapolis, Ind.....	1,340	1,340			370	698	1,266	1,034	632	3,714
Kansas City, Mo.-Kans.....	1,373	1,373			424	672	1,204	1,024	632	3,031
St. Louis, Mo.-Ill.....	1,234	1,234			383	647	1,234	1,024	632	4,096
Minneapolis-St. Paul, Minn.....	1,234	1,234			399	654	1,232	1,008	632	4,221
St. Louis, Mo.-Ill.....	1,420	1,420			379	675	1,179	1,011	632	2,875
Wichita, Kans.....	1,292	1,292			375	675	1,179	1,011	632	2,581
Nonmetropolitan areas $\frac{1}{3}$	1,189	1,189			389	578	989	961	632	2,690
South:										
Austin, Tex.....	1,266	1,266			396	662	1,204	1,034	632	2,532
Baltimore, Md.....	1,486	1,486			378	646	1,220	961	632	1,974
Baton Rouge, La.....	1,269	1,269			385	682	1,118	1,002	632	3,558
Dallas, Tex.....	1,267	1,267			386	682	1,218	1,002	632	3,558
Durham, N.C.....	1,292	1,292			389	781	1,195	987	632	2,325
Fort Worth, Tex.....	1,242	1,242			387	729	1,200	980	632	3,035
Memphis, Tenn.....	1,278	1,278			393	735	1,185	977	632	2,084
Mobile, Ala.....	1,278	1,278			365	603	1,229	994	632	2,172
Orlando, Fla.....	1,269	1,269			379	723	1,217	978	632	2,084
Washington, D.C.-Md.-Va.....	1,361	1,361			429	723	1,217	1,033	632	3,590
Nonmetropolitan areas $\frac{2}{3}$	1,211	1,211			359	557	955	914	632	2,038
West:										
Bakersfield, Calif.....	1,264	1,264			393	767	1,142	975	722	2,367
Bozeman, Mont.....	1,226	1,226			378	662	1,192	996	632	2,919
Los Angeles-Long Beach, Calif.....	1,457	1,457			380	855	1,175	1,042	722	2,925
San Diego, Calif.....	1,270	1,270			402	732	1,158	1,017	722	2,722
San Francisco-Oakland, Calif.....	1,386	1,386			468	742	1,206	1,040	722	3,159
Seattle-Everett, Wash.....	1,255	1,255			393	732	1,106	1,040	722	2,919
Honolulu, Hawaii.....	1,549	1,549			408	727	1,125	1,125	632	4,483
Nonmetropolitan areas $\frac{1}{3}$	1,549	1,549			423	727	997	936	632	2,643
Nonmetropolitan areas $\frac{2}{3}$	1,164	1,164			558	626	997	936	632	2,643
Anchorage, Alaska.....	1,457	1,457			558	1,055	1,150	1,181	675	4,546

See footnotes at end of table.

Footnotes for 3 budgets, autumn 1973

- 1/ The family consists of an employed husband, age 36, a wife not employed outside the home, an 8-year-old girl, and a 13-year-old boy.
- 2/ The definition of the family is given in the description of current and previous geographical boundaries, see the 1967 edition of *Standard International Statistical Areas*, prepared by the Office of Management and Budget.
- 3/ Places with population of 2,500 to 50,000.
- 4/ Housing includes shelter, housefurnishings and household operations. The higher budget also includes an allowance for lodging away from home city.
- 5/ The average costs of shelter were weighted by the following proportions: Lower budget, 100 percent for families living in rented dwellings; Intermediate budget, 25 percent for renters, 75 percent for homeowners; higher budget, 15 percent for renters, 85 percent for homeowners.
- 6/ Includes average utility rent plus the cost of required amounts of heating fuel, gas, electricity, water, specified equipment, and insurance on household contents. Includes the cost of telephone service plus taxes; insurance on house and contents; water, refuse disposal, heating fuel, gas, electricity, and specified equipment; and home repair and maintenance costs.
- 7/ The average costs of automobile owners and nonowners in the lower budget were weighted by the following proportions of families: Boston, Chicago, New York and Philadelphia, 50 percent for both automobile owners and nonowners; all other metropolitan areas, 65 percent for automobile owners, 35 percent for nonowners; non-metropolitan areas, 100 percent for automobile owners. The intermediate budget proportions are: Boston, Chicago, New York and Philadelphia, 80 percent for owners, 20 percent for nonowners; Baltimore, Cleveland, Detroit, Los Angeles, Pittsburgh, San Francisco, St. Louis, and Washington, D.C. with 1.4 million of population or more in 1960-65 for both automobile owners and nonowners; all other areas, 100 percent for automobile owners. The higher budget weight is 100 percent for automobile owners in all areas.
- 8/ In total medical care, the average costs of medical insurance were weighted by the following proportions: 30 percent for families paying full cost of insurance; 28 percent for families paying half cost; 44 percent for families covered by noncontributory insurance plans (paid by employer).
- 9/ Includes average costs for reading, recreation, tobacco products, alcoholic beverages, education and miscellaneous expenditures.
- 10/ Includes allowances for gifts and contributions, life insurance and occupational expenses.

Table 4. Income of comparative units based on lower budget for a 4-person family, 1/1 income 1973 (U.S. urban areas, 1969-1970)

Area	Total budget		Total metropolitan area		Total nonmetropolitan area		Total housing costs		Total transportation costs		Total consumption		Personal care	Medical care	Other family consumption	Personal income taxes
	100	93	100	93	100	93	100	93	100	93	100	93				
Urban United States	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
New York	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Metropolitan areas	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Nonmetropolitan areas	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Alaska	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Arizona	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
California	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Colorado	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Connecticut	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Delaware	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
District of Columbia	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Florida	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Georgia	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Idaho	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Illinois	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Indiana	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Iowa	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Kansas	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Kentucky	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Louisiana	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Maine	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Maryland	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Massachusetts	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Michigan	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Minnesota	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Mississippi	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Missouri	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Montana	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Nebraska	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Nevada	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
New Hampshire	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
New Jersey	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
New Mexico	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
New York	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
North Carolina	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
North Dakota	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Ohio	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Oklahoma	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Oregon	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Pennsylvania	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Rhode Island	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
South Carolina	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
South Dakota	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Tennessee	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Texas	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Utah	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Vermont	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Virginia	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Washington	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
West Virginia	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Wisconsin	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93
Wyoming	100	93	100	93	100	93	100	93	100	93	100	93	100	93	100	93

The family consists of an employed husband, age 36, a wife not employed outside the home, an 8-year-old girl, and a 13-year-old boy.
 Housing includes shelter, housefurnishings and household operations.
 Transportation includes average contract rent plus the cost of required amounts of heating (fuel, gas, electricity), water, specified equipment, and insurance on household contents.
 The average costs of automobile owners and nonowners; all other metropolitan areas, 65 percent for automobile owners, 35 percent for nonowners; nonmetropolitan areas, 100 percent for both auto owners and nonowners.
 In total medical care, the average costs of medical insurance were weighted by the following proportions of families: Boston, Chicago, New York, Philadelphia, 30 percent for families paying half cost; 40 percent for families covered by non-contributory insurance plans (paid by employer); 20 percent for families with no medical insurance.
 An article in 1964-65. For a detailed description of current and previous geographical boundaries, see the 1967 edition of *Standard Metropolitan Statistical Areas*.
 Figures with population of 7,500 or less.

Table 5. Indexes of comparative costs based on an (integrated) budget for a 4-person family, 1/2 acre, 1973 (U.S. - 1000, constant 1967=100)

Area	Total consumption		Food		Housing		Transportation		Personal care	Medical care	Other family consumption	Personal income
	Index	Value	Total	Food as % of total	Total	Home as % of total	Total	Automobile as % of total				
Urban United States	100	100	100	100	100	100	100	100	100	100	100	100
Metropolitan areas 1/2	102	101	100	103	103	106	91	92	102	103	104	106
Nonmetropolitan areas 1/2	79	79	73	96	68	68	96	92	92	73	84	83
Northwest:												
Alaska	115	115	106	110	139	136	123	116	103	99	110	146
Idaho	108	108	104	106	106	105	107	108	103	109	99	105
Montana	109	112	109	108	116	120	115	109	108	127	99	114
North Dakota	108	110	108	110	115	118	113	110	108	108	108	114
South Dakota	108	117	108	110	125	125	115	119	108	108	108	113
New York	113	117	113	110	125	125	115	119	108	108	108	113
Pennsylvania	103	101	108	107	96	88	94	95	107	100	102	104
West Virginia	107	107	105	102	88	81	88	92	97	97	102	102
Wisconsin	101	102	105	108	103	98	106	99	97	95	96	92
Minnesota	101	102	105	101	90	104	100	95	91	88	90	87
North Central:												
Illinois	105	96	92	92	101	100	104	102	98	108	102	111
Indiana	103	103	99	101	107	129	105	101	96	115	100	99
Michigan	103	106	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	118	106	107	108
Michigan	103	104	102	101	110	114	113	105	118	106	107	108
Wisconsin	103	104	102	101	110	114	113	105	118	106	107	108
Illinois	103	104	102	101	110	114	113	105	118	106	107	108
Ohio	103	104	102	101	110	114	113	105	1			

Table 6. Indexes of comparative costs based on a higher budget for a 4-person family, 1/2 income 1973 (U.S. urban average costs) (20)

Area	Total budget	Total consumption	Food		Total rent at home	Household necessities costs 1/2	Cost of family consumption		Personal care	Medical care 1/2	Other family consumption 1/2	Personal income taxes
			Total	Food at home			Household necessities costs 1/2	Household necessities costs 1/2				
Urban United States.....	100	100	100	100	100	100	100	100	100	100	100	100
Metropolitan areas 1/2.....	103	103	102	100	106	107	105	102	101	103	104	105
Nonmetropolitan areas 1/2.....	86	86	91	98	87	68	60	92	94	85	82	77
Northeast:												
Boston, Mass.....	121	117	107	107	140	117	159	112	102	98	109	144
New York, N.Y.....	106	105	102	101	102	101	101	101	101	99	105	140
Buffalo, N.Y.....	101	100	105	105	112	102	101	105	110	125	89	115
Lancaster, Pa.....	96	96	102	102	88	83	87	107	94	87	101	96
Philadelphia, Pa.....	121	116	115	108	128	125	133	108	103	109	113	149
Pittsburgh, Pa.....	97	97	102	101	91	71	69	95	102	100	107	96
Portland, Me.....	97	99	105	106	94	81	91	94	97	94	104	96
Providence, R.I.....	93	94	98	104	94	69	79	90	90	83	104	87
North Central:												
Cedar Rapids, Iowa.....	100	98	93	92	102	101	104	96	108	99	100	108
Chicago, Ill.....	106	105	102	102	109	112	108	113	106	105	105	109
Chicago, Ill.-Northwestern Ind.....	104	105	100	100	105	112	108	113	106	105	105	109
Cincinnati, Ohio-Ky.-Ind.....	93	94	98	100	88	66	89	95	100	92	88	85
Cleveland, Ohio.....	93	93	91	91	96	94	96	91	91	81	100	85
Detroit, Mich.....	102	101	104	105	100	101	95	96	101	107	104	107
Green Bay, Wis.....	93	93	94	97	100	84	100	93	96	100	107	127
Indianapolis, Ind.....	100	100	102	102	93	85	93	104	102	109	97	101
Kansas City, Mo.-Kansas.....	105	100	95	95	106	88	111	94	103	98	94	104
Milwaukee, Wis.....	105	100	95	95	106	88	111	94	103	98	94	104
Minneapolis, Minn.....	97	97	98	104	102	90	74	87	108	94	91	99
St. Louis, Mo.-Ill.....	93	95	94	96	91	75	89	98	97	98	99	83
Wichita, Kans.....	90	91	92	100	89	74	90	90	98	100	84	87
South:												
Atlanta, Ga.....	92	93	98	97	83	79	75	96	98	102	96	101
Birmingham, Ala.....	91	91	91	91	91	91	91	91	91	91	91	91
Millersville, Md.....	100	97	100	99	87	83	75	97	105	107	110	102
Mobile, Ala.....	91	94	99	100	86	77	68	96	91	100	88	101
Baton Rouge, La.....	91	94	92	98	89	111	84	94	97	102	114	100
Dallas, Tex.....	89	91	92	98	89	111	84	94	97	102	114	100
Houston, Tex.....	89	93	97	94	87	73	75	87	98	101	106	99
Memphis, Tenn.....	91	95	92	94	91	83	89	99	113	94	106	103
Nashville, Tenn.....	91	95	92	94	91	83	89	99	113	94	106	103
San Antonio, Tex.....	91	95	92	94	91	83	89	99	113	94	106	103
Washington, D.C.-Va.....	104	101	104	106	100	99	99	104	95	103	101	103
Metropolitan areas 1/2.....	81	84	90	96	75	65	68	92	92	81	80	66
West:												
Bakersfield, Calif.....	91	93	93	95	86	89	83	96	94	101	96	77
Denver, Colo.....	96	96	97	96	89	103	82	93	111	97	96	95
Los Angeles, Calif.....	96	97	98	97	90	105	87	96	106	100	97	95
San Diego, Calif.....	98	100	99	97	105	112	107	101	98	112	97	96
San Francisco-Oakland, Calif.....	106	107	101	98	112	126	113	105	106	115	113	104
Seattle-Portland, Wash.....	98	102	101	100	105	95	108	95	101	106	101	81
Portland, Ore.....	98	102	101	100	105	95	108	95	101	106	101	81
Montreal, Quebec.....	86	87	87	87	85	82	64	77	89	95	84	84
Nonmetropolitan areas 1/2.....	126	123	109	119	145	158	157	111	111	143	153	148

1/ The family consists of an employed husband, age 38, a wife, age 35, and a 13-year-old boy.
 2/ Housing includes shelter, household furnishings and household operations and an allowance for lodging away from home club.
 3/ Better costs include average contract rent plus the cost of required amounts of heating fuel, gas, electricity, water, specified equipment, and insurance on home.
 4/ Household necessities costs include interest and principal payments plus taxes; insurance on house and contents, water, refuse disposal, heating fuel, gas, electricity, and specified equipment, and home repairs and maintenance costs.
 5/ All families were assumed to be automobile owners.
 6/ Insurance were weighted by the following proportions: 30 percent for families paying full cost of insurance; 26 percent for families paying half cost; 44 percent for families covered by noncontributory insurance plans (paid by employer).
 7/ Includes average costs for reading, recreation, tobacco products, alcoholic beverages, education and miscellaneous expenditures.
 8/ Includes average costs for clothing, recreation, tobacco products, alcoholic beverages, education and miscellaneous expenditures.
 9/ Prepared by the Office of Management and Budget.
 10/ Figures with population of 2,500 to 50,000.

Mr. WHITNEY. We will also note that the officers of the police department are the only District of Columbia employees who are required to live within a 25-mile radius of the Capitol.

This has a very direct bearing on the housing that they can seek. It puts a very grave restriction and places an additional burden upon them. For all of these reasons, we believe a pay raise at this time is an absolute necessity.

Now, attached to our prepared statement, Mr. Chairman, is two enclosures. Enclosure one is more or less a synopsis which compares existing pay scales for the District of Columbia police officers against pay scales in effect at the present time of other jurisdictions, both in the surrounding area of Washington, D.C. metropolitan, as well as cities of other size.

I think, however, the first page of our second enclosure goes quite directly to some of the questions you are asking of the witnesses who testified on behalf of the city. It is a rather lengthy table, but the first page lists a number of cities, where the starting salary is higher in Washington, D.C., and it also lists a number of other cities, which pay very early in the police officer's career surpasses at the same point pay as it applies to the District of Columbia police officers.

This table not only speaks to surrounding jurisdictions as Montgomery County, Alexandria, Arlington, Prince Georges, and it goes into quite a detail of Washington in comparison with numerous other cities throughout the United States, and of course, we would submit this for the record. So I would like to thank you, as chairman of the committee, for moving quickly on this matter.

It has been hanging fire for some time now. Of course, the longer the delay, in effect that is an additional loss of money to the police officers and firefighters in the city. So we appreciate the receptive attitude which we have received on this matter.

The CHAIRMAN. Thank you very much.

All of the documents, statistics, tables, and so forth will be made a part of the record.

Mr. WHITNEY. Thank you, sir.

[The material referred to follows:]

STATEMENT OF

ALAN J. WHITNEY
EXECUTIVE VICE-PRESIDENT

INTERNATIONAL BROTHERHOOD OF POLICE OFFICERS

2139 Wisconsin Avenue, N.W.
Washington, D.C.

BEFORE THE COMMITTEE ON THE

DISTRICT OF COLUMBIA

U.S. SENATE

JULY 25, 1974

Mr. Chairman and Members of the Committee:

I am Alan J. Whitney, Executive Vice-President of the International Brotherhood of Police Officers. I am accompanied today by Officer Larry Melton of the Metropolitan Police Department, Executive Vice-President of the I.B.P.O. Local 442, and Gary Altman of our legislative research department.

The I.B.P.O. represents more than 22,000 sworn peace officers throughout the United States including the officers of the Metropolitan Police Department. Our national headquarters is located here in Washington at 2139 Wisconsin Avenue, N.W.

I would first like to express our appreciation to the Committee for holding this hearing and thereby expediting resolution of the question of a present pay increase, as well as future pay adjustments, for the officers of the Metropolitan Police Department.

The bill before the Committee is Senate bill 2829, filed by the Senators from Maryland, Senators Beall and Mathias. This bill is one with which we are familiar, as it is essentially the same as H.R. 6731, which was filed in April of 1973, by Representative Moakley of Massachusetts at our request.

The I.B.P.O. is in complete agreement with the basic provisions of this bill, except for Sections 2 (a), (b), and (c), which would deprive retired members of the increase in pensions commensurate with the increase in pay of the active members of the Department. The present policy is not

as beneficial as the quarterly cost of living adjustments which Federal retirees receive, based on increases in the Consumers Price Index, and the elimination of this increase for police retirees would be an unnecessary blow in this time of so-called double-digit inflation.

In all other aspects the bill is commendable and necessary. The D.C. Police Department is the only major police department in the United States that works more than a forty-hour week.

The average number of years for a patrolman to reach his maximum salary level in comparable and surrounding jurisdictions is 3.2 years. The D.C. patrolman waits 16 years.

There are 292,000 General Schedule employees in the Washington, D.C. area who receive an average salary of \$14,600 and who receive an annual pay raise every fall.

The D.C. police have not had a pay raise in over 26 months - 2.2 years.

The cost of living in the Washington, D.C. area had increased 17.6 percent from May of 1972 (the date of the last police pay raise) until May of 1974, and in June the national cost of living went up a full percentage point (D.C.'s C.P.I., Consumer Price Index, has always been at least 10 percent higher than the national C.P.I.). Therefore, since the last police pay raise, the cost of living in the Washington area has gone up almost 19 percent.

The police, the only D.C. employees who are required to live within a 25-mile radius of the Capitol, have been required to attempt to maintain their standard of living in an area where their own dollar is not only badly devalued, but their neighbors are receiving yearly pay adjustments to make up for this inflationary trend.

For all these reasons, a pay raise at this time is an absolute necessity.

Any action the Committee takes will be applauded by the police so long as it attempts to reasonably answer the puzzle they have been made a part of-- How to live and support their families on a completely inadequate financial base?

The City Administration argues that it had budgeted funds for an increase of only 10 percent in police and firemen's salaries in the Spring of 1973. The I.B.P.O.'s position is that the individuals who provide the very security and protection which allow this city to survive should not be penalized for the short-sightedness of those who developed that budgetary allocation.

In sum, we believe that our position is fully justified, both in terms of the economics of the matter and in terms of basic fairness and equity.

Thank you for your attention and consideration.

ENCLOSURE 1

ARLINGTON

- Based on the projected 18% pay raise which is in the offering for Arlington County; The D.C. police will need an approximate 25% raise in starting salary to be comparable with Arlington's starting salary
- With the projected 17% pay raise for the D.C. police; and the projected 18% raise for Arlington County; the D.C. police will fall below Arlington's pay schedule by \$813.00 per annum
- Arlington has a 7 year period from minimum to maximum. The 7 year maximum level for Arlington is comparable to 15 years for a D. C. policeman.

ALEXANDRIA

- Based on an approximate 10% cost of living increase for July of this year for the Alexandria police, and the projected 17% pay raise for the D.C. police; D. C. will surpass Alexandria by about \$600,00 per annum.
- Alexandria has a 5 year period from minimum to maximum. Maximum at 5 years for an Alexandria patrolman is comparable to 9 years for a D. C. policeman. However with educational incentive Alexandria is \$111 per annum higher than D. C.

CLEVELAND

- Based on recently awarded Cleveland pay raise (6/1/74) a raise of 23% for D.C. police would be needed to make the two cities equivalent.

- with a 17% projected raise for D.C. police compared to Cleveland's salary, D. C. will still fall below Cleveland by \$604.00 per annum.
- Maximum salary (without longevity) is received after 3 years for a Cleveland Patrolman. Maximum at 3 years for Cleveland Patrolman is equivalent to the 9th year on the D. C. force.

DETROIT

- To match current Detroit salary an 11% pay raise would be needed for D. C. police
- With the projected 9% increase for Detroit Police, the D. C. projected raise of 17% would still place D. C. below Detroit by \$220.00 per annum.
- Detroit has a 4 year period from minimum to maximum. The 4 year maximum level for the Detroit Police Force is comparable to the 16th year on the D. C. Force.

FAIRFAX COUNTY

- D. C. projected pay raise of 17% will surpass Fairfax County which has recently signed for 9 3/4% increase across all salary ranges.
- The 15 year period from minimum to maximum is similar to D. C. 16 year incremental salary structure.

MONTGOMERY COUNTY

- With the settled pay raise of 7% in Montgomery County the D. C. Police Force falls behind by \$811.00 per annum

- with a 17% raise for D. C. police compared to the pay raise received by Montgomery County, the D. C. police will surpass the Montgomery County Force by \$900 per annum. However, taking into account the educational incentive provided by Montgomery County, a policeman there will make \$811 more per annum than an entering D.C. Patrolman.
- Montgomery County has a 7 year period from minimum to maximum. The seven year maximum level for Montgomery County Police is comparable to the 15th year on the D. C. Force.

NEW YORK CITY

- to match current New York police salaries a 19% pay raise would be needed for D. C. police.
- with the D. C. projected pay raise of 17% compared to the current New York Police salary structure; D. C. still falls below New York by \$244 per annum.
- New York is currently negotiating a new salary contract for June of this year at a conservative projection of a 5% increase, D. C. with the 17% projected increase will fall below by \$839.00 per annum
- New York City has a 3 year period from minimum to maximum. The three year maximum level for a New York City Policeman is higher than the 16th year of a Washington Policeman.

LOS ANGELES

- To match current Los Angeles police salaries a 25% pay raise would be needed for the D. C. police
- with the projected pay raise of 17% for the D. C. police, the

- D. C. police will still fall below the Los Angeles police salary by \$852.00 per annum.
- with projected raise of 7% for the Los Angeles police for July of this year, and the 17% raise for D. C. police, the D. C. police will fall below the Los Angeles salary by \$1,727 per annum!
 - Los Angeles has a four year period from minimum to maximum. The fourth year maximum level for a Los Angeles Policeman is higher than 16th year on D. C. force.

PHILADELPHIA

- to match the pay raise that was recently awarded to the Philadelphia police a 24% pay raise would be needed for the D. C. police Force.
- With the projected 17% pay raise for the D. C. police, the D. C. police still fall below the Philadelphia police Department by \$741 per annum.
- Philadelphia has a 3 year period from minimum to maximum. The three year maximum level for a Philadelphia patrolman is comparable to the 12th year on the D. C. force.

PRINCE GEORGES COUNTY

- To match current Prince Georges Police salary a 3% raise is needed.
- With the projected increase at cost of living (figured at 10%) and a 6% raise for Prince Georges than the 17% projected pay raise for the D. C. police would place the two jurisdictions approximately equivalent. However, taking into account the

educational incentive provided by Prince Georges County, a policeman there will make \$985 more per annum than an entering D. C. Patrolman. Prince Georges County has a 6 year period from minimum to maximum. The six year maximum level for a Prince Georges County Patrolman is comparable to the 15th year on the D. C. Force.

In fact, Prince Georges County is successfully recruiting a large number of D. C. Police to meet their present crime problem.

SAN DIEGO

- To match the recently awarded pay raise to the San Diego Police a 20% pay raise would be needed for the D. C. Police Force.
- With the projected 17% pay raise for the D. C. Police, the D. C. Police fall below the San Diego Police Force by \$340 per annum.
- San Diego has a 3 year period from minimum to maximum. The 3 year maximum level for a San Diego patrolman (at July 1, 1974 rates) is comparable to the 16th year on the D. C. Force.

SAN FRANCISCO

- To match current San Francisco Police Salaries a 44% pay raise would be needed for the D. C. police force.
- With the projected pay raise of 17% for the D. C. police, the D. C. police will still fall below the current San Francisco salary by \$2,700 per annum.
- The San Francisco salaries to be renegotiated this July,

although figures will far surpass the D. C. pay rates.

- San Francisco has a 4 year period from minimum to maximum.

The three year maximum level for a San Francisco patrolman is higher than 16 years on the D. C. Force.

PAY COMPARABILITY
PATROLMAN
CITIES WHOSE STARTING SALARY IS HIGHER THAN D.C.
(Compared to D.C. 16 year Incremental Pay Structure)

Alexandria	-	1st through 10th year higher
Arlington	-	Higher all 16 years
Chicago	-	Higher all 16 years
Cincinnati	-	1st through 7th year higher
Cleveland	-	1st through 12th year higher
Detroit	-	Higher all 16 years
Jersey City	-	1st through 9th year higher
Los Angeles	-	Higher all 16 years
Miami	-	Higher all 16 years
Milwaukee	-	1st through 15th year higher
Minneapolis	-	Higher all 16 years
Montgomery County	-	Higher all 16 years
Newark	-	1st through 9 years higher
New York	-	Higher all 16 years
Philadelphia	-	1st through 12 year higher
Prince Georges County	-	Higher all 16 years
St. Paul, Minnesota	-	Higher all 16 years
San Diego	-	Higher all 16 years
San Francisco	-	Higher all 16 years
Seattle	-	1st through 15th year higher

CITIES WHO AT OTHER INTERVALS SURPASS D.C. PAY STRUCTURE

Atlanta	-	3rd yr through 9th yr higher than D.C.
Boston	-	2nd yr through 15th yr higher than D.C.
Buffalo	-	2nd yr through 15th yr higher than D.C.
Columbus	-	4th yr through 9th yr higher than D.C.
Dallas	-	3rd yr through 5th yr higher than D.C.
Fairfax	-	2nd yr through 16th yr higher than D.C.
Baltimore	-	6th yr higher than D.C.
St. Louis	-	6th yr higher than D.C.

CITIES WHOSE SALARIES ARE ALWAYS LOWER

Indianapolis	Phoenix
Kansas City	San Antonio
New Orleans	Jacksonville
Denver	

CITIES WHERE NIGHT DIFFERENTIALS ARE OFFERED

Boston	Jersey City
Detroit	New York
Fairfax	St. Paul, Minnesota

CITIES WHERE COLLEGE INCENTIVE PROGRAMS ARE OFFERED

Alexandria	Miami
Arlington	Milwaukee
Atlanta	Prince Georges County
Boston	St. Paul, Minnesota
Dallas	St. Louis
Indianapolis	Montgomery County
Los Angeles	San Diego

PRESENT NEGOTIATIONS

Alexandria	-	Contract expires July, asking C.O.L.
Arlington	-	Contract expires June; asking C.O.L.
Atlanta	-	?
Baltimore	-	Contract expires July; asking 9% to 10 %.
Cleveland	-	Settled for new salaries, now 1st-15th year higher than D.C.
Dallas	-	Asking 6% to 10% increase, plus increase in longevity.
Detroit	-	For this June asking C.O.L. plus 8% or 9%.
Fairfax	-	9½% increase starting this June.
Jersey City	-	For this June, asking \$2,000.00 increase across the board plus extra longevity increase.
Los Angeles	-	For this June, asking 5% to 6% increase.
Miami	-	?
Milwaukee	-	Will change November this year.
Newark	-	Asking for 2-year contract with \$1,000.00 increments for each year.
New York	-	Expires June; Want to break parity arrangement where police and firemen are tied into same contract, asking C.O.L.; no salary figures
Philadelphia	-	Recently settled for \$1,000.00 increase across the board.
Prince Georges County	-	Settled for 5% increase.
San Francisco	-	July of this year no projection for future increase.
Seattle	-	C.O.L. plus 2%; also asking for Educational Incentive.
Montgomery County	-	Recently negotiated, received C.O.L. at 7% - minimum at \$700.00, maximum at \$1,200.00 to start this July.

PAY COMPARABILITY

ALEXANDRIA

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements		
	Officer with no college, no night duty, including longevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p. m.) includ- ing longevity, if any	
		AB	BA
1st Year Private	\$10,081 ¹	\$10,581	\$10,881
Third Year Private	\$11,114		
Seventh Year Private	\$12,560		
Tenth Year Private	\$12,874		
16th Year Private	\$13,526	\$13,926	\$14,326
Sergeant (or equiv.) with 8 years on force	\$11,670 ³	No college No night	
Sergeant (or equiv.) with 16 years on force	\$16,441		
Captain (or equiv.) with 12 years on force	\$14,845 ⁴		
Captain (or equiv.) with 16 years on force	\$20,983		

¹ Minimum salary for Alexandria Patrolman is \$10,841, maximum without longevity is \$12,254 received after five years. Longevity is received after 5 years and is computed on 2 year intervals, maximum after 13 years of service is \$13,526.

² Alexandria does offer an educational incentive program minimum with an Associates degree is starting at \$10,481; with a Bachelor degree starting is \$10,881; maximum with an Associates Degree is \$13,926, and with a Bachelors degree \$14,326 received after 13 years. Yearly increments are available.

³ Minimum salary for Alexandria Sergeant is \$11,670; maximum without longevity is \$14,895 after five years. Longevity is applied after the maximum base step. Maximum without longevity is \$16,441 received after 13 years.

⁴ Minimum Captain salary is \$14,895, maximum without longevity is received after 5 years which is \$19,110.. Maximum without longevity included is \$20,983 received after 13 years service.

There is no night differential for Alexandria Police.

These salary rates were effective July 4, 1973 - will be renegotiated July of this year. Asking C.O.L. increase.

PAY COMPARABILITY

ARLINGTON

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$10,605	75 credits \$199 per year
Third Year Private	\$11,693	90 credits \$399 per year
Seventh Year Private	\$13,536	105 credits \$599 per year
Tenth Year Private	\$13,744	120 credits \$1000 per year
16th Year Private	\$14,160	Degree \$1000 per year
Sergeant (or equiv.) with 8 years on force	\$12,278 ¹	MA \$1039 per year
Sergeant (or equiv.) with 16 years on force	\$17,078	
Captain (or equiv.) with 12 years on force	\$15,595	
Captain (or equiv.) with 16 years on force	\$20,966	

¹ Minimum Sergeant Salary is \$12,278; maximum without longevity is \$16,454 received after 6 years. Longevity for all police officers regardless of rank is: after 9 years \$208 per year; after 12 years \$416 per year; after 15 years \$624 per year.

² Minimum Captian's salary without longevity is \$15,179; maximum is \$20,342, same longevity benefits apply for Captain's rank.

Rates effective as of June 24, 1973.

Will change this june - projection for future change, asking overall 18% increase in base salaries.

PAY COMPARABILITY

ATLANTA

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements		
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty ¹ (4 p.m. to 8 p.m.) including longevity, if any	
First Year Private	\$ 9,841	<u>2 years college</u> \$10,257	<u>4 yr. degree</u> \$10,699
Third Year Private	\$10,699	\$11,154	\$11,622
Seventh Year Private	\$12,636	\$13,164	\$13,728
Tenth Year Private	\$12,636	\$13,169	\$13,728
16th Year Private	\$12,636	\$13,169	\$13,728
Sergeant (or equiv.) with 3 years on force	\$10,699 ³	\$11,154	\$11,622
Sergeant (or equiv.) with 16 years on force	\$13,728	\$14,313	\$14,924
Captain (or equiv.) with 12 years on force	\$13,728 ⁴	\$14,313	\$14,924
Captain (or equiv.) with 16 years on force	\$17,628	\$18,382	\$19,162

1

Atlanta does not provide night differential pay.

2

The Atlanta pay schedule provides pay distinction for 7 years of service. After which there is no longevity provided or computed into the police salary.

3

First Year Sergeant makes \$10,699 no matter how many years on the force. The maximum salary a sergeant makes is after 7 years \$13,728. This procedure is also followed for college education.

4

There is a seven year time span from minimum to maximum salary for Captain rank.

BALTIMORE

PAY COMPARABILITY

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including longevity, if any	Officer with college degree 2/3 time on night duty (4 p.m. to 8 p.m.) (including longevity if any)
First Year Private	\$ 8,761	2
Third Year Private	\$ 9,677	
Seventh Year Private	\$11,082	
Tenth Year Private	\$11,082 ¹	
16th Year Private	\$11,359 ³	
Sergeant (or equiv.) with 8 years on force	\$12,175	
Sergeant (or equiv.) with 16 years on force	\$13,719 ⁴	
Captain (or equiv.) with 12 years on force	\$16,185 ⁵	
Captain (or equiv.) with 16 years on force	\$18,281	

¹ Pay scale continues until 7th year. Longevity benefits are not incorporated until after 15 years whereupon the flat rate of \$277.000 per year is added to base salary.

² Baltimore offers no educational payment nor does it offer any night duty differential.

³ Minimum pay for a sergeant is \$12,175 after a 3 year period he reaches the maximum of \$13,384. Longevity benefits are not included until 15 years of service, whereupon \$335 per year is added to the base salary.

⁴ Includes maximum salary and longevity

⁵ Minimum pay for Baltimore Captain is \$16,185, reaches maximum after 3 year period of \$17,835. Longevity is not allowed until after 15 years of service. The longevity benefit after 15 years is 446 per annum.

- These pay rates were effective after July 1, 1973. Negotiations for July of this year are asking 5% to 6%.

PAY COMPARABILITY

BOSTON

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements			
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any		
First Year Private	\$ 9,776 ¹	MA or JD \$12,350	BA \$11,778	AD ² \$11,464
Third Year Private	\$12,116	\$14,690	\$14,174	\$13,858
Seventh Year Private	\$12,416	\$14,690	\$14,174	\$13,858
Tenth Year Private	\$13,016	\$14,690	\$14,174	\$13,858
16th Year Private	\$13,815	\$14,690	\$14,174	\$13,858
Sergeant (or equiv.) with 8 years on force	\$15,527 ²		\$16,385 ⁴	
Sergeant (or equiv.) with 16 years on force	\$15,527			
Captain (or equiv.) with 12 years on force	\$20,540 ⁵			
Captain (or equiv.) with 16 years on force	\$20,540			

¹ Minimum salary for Private is \$9,776; maximum without longevity is \$12,116 received after two and a half years. Longevity benefits start after 4 years with the addition of \$300 per year to base salary, after 9 years \$600 per year to maximum base salary, and after 14 years \$799 per year to maximum base salary.

² Educational incentive is the following: MA or JD increase in base salary by \$1,907 per year; Bachelor's degree increase by \$1,105 per year; Associates degree or 60 hrs. \$850 per year. Figures shown are college education with full night time differential which is an additional \$858 per year.

³ The base salary for Sergeants is \$15,527, no extra longevity is figured into salary.

⁴ No college incentive is provided for Sergeants, figure shown is with full night differential pay.

⁵ Captain receives no longevity, no night differential nor college incentive.

PAY COMPARABILITY

BUFFALO

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity if any
First Year Private	\$ 9,226	- no college
Third Year Private	\$12,012 ¹	- no night Differential
Seventh Year Private	\$12,512	
Tenth Year Private	\$13,012	
16th Year Private	\$13,512 ²	
Sergeant (or equiv.) with 8 years on force	\$13,769	
Sergeant (or equiv.) with 16 years on force	\$14,769	
Captain (or equiv.) with 12 years on force	\$16,884 ³	
Captain (or equiv.) with 16 years on force	\$17,384	

¹ Minimum salary for Buffalo patrolman is \$9,226 maximum is \$12,012 achieved after 3 years. Longevity is \$100 for every fifth year; top longevity is 25 years at \$600.

² Sargeant base pay depends upon which level he was promoted from, maximum salary is \$13,269 without longevity. Same longevity benefits prevail.

³ Base salary for Captain is \$15,884 without longevity.

- Salaries are to be renegotiated this July, they are asking a cost of living increase at 10% to 11% to be effective this July.

PAY COMPARABILITY

CINCINNATI

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty, including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$10,978	4
Third Year Private	\$11,861	
Seventh Year Private	\$12,306	
Tenth Year Private	\$12,356 ¹	
16th Year Private	\$12,406	
Sergeant (or equiv.) with 8 years on force	\$12,829 ²	
Sergeant (or equiv.) with 16 years on force	\$14,375	
Captain (or equiv.) with 12 years on force	\$18,399 ³	
Captain (or equiv.) with 16 years on force	\$19,307	

¹ Minimum salary for Patrolman is \$10,978, Maximum salary is \$12,306 achieved after 3 years. Longevity benefits: 10 years \$50 per year; 15 years \$100 a year; 20 years \$150 a year.

² Minimum salary for Sergeant is \$13,829; maximum \$14,275 achieved after a two year period. Same longevity benefits apply for Sergeant.

³ Minimum Captain salary is \$18,349; maximum is \$19,209 achieved after 3 years. Same longevity is practiced.

⁴ Educational incentive is provided by offering 1/2 tuition reimbursement.

- Pay schedule effective as of January 1, 1974

PAY COMPARABILITY

CHICAGO

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity	Officer with College degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$11,148 ¹	
Third Year Private	\$13,284	3
Seventh Year Private	\$14,976	
Tenth Year Private	\$15,312	
16th Year Private	\$15,636 ²	
Sergeant (or equiv.) with 8 years on force	\$13,956 ⁴	
Sergeant (or equiv.) with 16 years on force	\$18,000	
Captain (or equiv.) with 12 years on force	\$17,832 ⁶	
Captain (or equiv.) with 16 Years on force	\$22,956	

¹ Patrolman enters the Chicago Police Force making \$11,148, after 6 months the salary is raised to \$11,820 until the end of the first year

² Maximum longevity benefits occur after 20 years where a patrolman will make \$16,008.

³ The Chicago Police Force does not offer educational incentive nor does it offer any night duty differential.

⁴ Pay for Sergeants as well as Captains does not depend on years on the force, but years as Sergeant or Captain respectively.

⁵ 1st year Sergeant makes \$13,958 - fifth years sergeant makes \$16,968

⁶ Pay scale for Captains is comparable to that for Sergeants figure shown is first year Captain

These pay scales have been effective since January 1, 1974, and will change next January.

PAY COMPARABILITY

CLEVELAND

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
		<u>Proposed June 1, 1974</u>
First Year Private	1 \$11,387	\$12,304
Third Year Private	\$12,387	\$12,804
Seventh Year Private	\$12,947 ¹	\$13,364
Tenth Year Private	\$13,067	\$13,424
16th Year Private	\$13,317	\$13,540
Sergeant (or equiv.) with 8 years on force	2 \$14,429	\$15,492
Sergeant (or equiv.) with 16 years on force	\$15,109	\$18,172
Captain (or equiv.) with 12 years on force	\$19,455	\$20,886
Captain (or equiv.) with 16 years on force	\$20,079	\$21,506
		No college incentive No night differential

¹ Minimum for Cleveland Patrolman is now \$11,387; maximum is \$12,887 received after 3 years longevity benefits are the following: 5-9 years, \$60.00 per year; 10-14 years, \$120.00 per year; 15-19 years, \$240.00 per year; 20-24 years, \$300.00 per year; 25 and up \$360.00 per year.

² Minimum Sergeant base pay without longevity is \$14,369; maximum without longevity is \$14,889. Same longevity rates exist for Sergeants.

³ Minimum Captain's salary without longevity is \$19,335; maximum without longevity is \$19,835. Same longevity rates exist.

Proposed rates for June 1974 are shown. City of Cleveland offers no educational incentive or night duty differential.

PAY COMPARABILITY

COLUMBUS

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$ 8,777 ¹	2
Third Year Private	\$10,524	
Seventh Year Private	\$12,875	
Tenth Year Private	\$12,875	
16th Year Private	\$12,875	
Sergeant (or equiv.) with 8 years on force	\$14,435	
Sergeant (or equiv.) with 16 years on force	\$14,435	
Captain (or equiv.) with 12 years on force	\$18,262	
Captain (or equiv.) with 16 years on force	\$18,262	

¹
Minimum Patrolmen salary is \$8,777; Maximum is \$12,875 which is received after three years

²
City of Columbus has no longevity benefits, nor does it provide educational incentive programs.

- Contract was effective as of 3-24-74 will not be renegotiated until another 2 years.

PAY COMPARABILITY

DALLAS

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$ 9,612 ¹	\$10,812 ⁴
Third Year Private	\$10,988	\$12,060
Seventh Year Private	\$11,154	\$12,354
Tenth Year Private	\$11,280	\$12,480
16th Year Private	\$11,486	\$12,686
Sergeant (or equiv.) with 8 years on force	\$12,648 ²	\$13,848
Sergeant (or equiv.) with 16 years on force	\$12,988	\$14,188
Captain (or equiv.) with 12 years on force	\$16,668 ³	\$17,868
Captain (or equiv.) with 16 years on force	\$16,800	\$18,000

¹ Minimum for 1st year Private is \$9,612; Maximum for Private rank without longevity is \$10,860. Longevity benefits are computed by adding \$3.50 per month, per year served, with the maximum being \$87.50 per month after 25 years.

² Base pay for sergeants is \$12,312. Same Longevity benefits apply.

³ Captain, base salary is \$16,164 with same longevity benefits.

⁴ College degree would add to base salary \$100 extra per month.

- These salaries are effective as of October 1, 1973.

- Projected pay rise is seen for October of this year asking: 6% - 10% increase and raising longevity benefits to \$4.00 per month.

PAY COMPARABILITY

DETROIT

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Offieer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$11,000	3 No College incent- ive
Third Year Private	\$13,000	
Seventh Year Private	\$15,000	4
Tenth Year Private	\$15,350 ¹	
16th Year Private	\$15,350	
Sergeant (or equiv.) with 8 years on force	\$18,300	
Sergeant (or equiv.) with 16 years on force	\$18,650	
Captain (or equiv.) with 12 years on force	\$23,250 ²	
Captain (or equiv.) with 16 years on force	\$23,250	

¹ Base pay maximum is \$15,000. Longevity is \$300 for every 10 years.

² No rank of Captain exists in Detroit, being compared to "Inspector".

³ With college education promotional tests can be taken after 2 years instead of the normal 3.

⁴ Detroit does offer night differential pay, computed at 10¢ an hour added to base pay for the hours of 11 a.m. to 7 p.m., and 15¢ an hour extra for the hours of 7 p.m. to 3 a.m.

- Asking for salary increase of 8% or 9% plus cost of living.

PAY COMPARABILITY

DENVER

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$ 9,696 ¹	No Night Differential No College Incentive
Third Year Private	\$11,736	
Seventh Year Private	\$12,972	
Tenth Year Private	\$13,116	
16th Year Private	\$13,404	
Sergeant (or equiv.) with 8 years on force	\$15,096 ²	
Sergeant (or equiv.) with 16 years on force	\$15,864	
Captain (or equiv.) with 12 years on force	\$19,584 ³	
Captain (or equiv.) with 16 years on force	\$20,352	

¹ Minimum salary for Denver Patrolman is \$9,696; maximum is \$13,836 received after 25 years. Denver offers no longevity benefits.

² Minimum Sergeant salary is \$15,096, maximum is \$16,296 received after 25 years.

³ Minimum Captain salary is \$19,584; maximum is \$20,784 received after 25 years.

Rates effective as of January 1, 1974, will change next January

PAY COMPARABILITY

FAIRFAX

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty, including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$ 9,989 ¹	⁴ No college incentive
Third Year Private	\$11,013	
Seventh Year Private	\$12,748	
Tenth Year Private	\$13,386	
16 Year Private	\$14,758 ²	
Sergeant (or equiv.) with 8 years on force	\$11,471	
Sergeant (or equiv.) with 16 years on force	\$16,948	
Captian (or equiv.) with 12 years on force	\$14,521 ³	
Captain (or equiv.) with 16 years on force	\$21,454	

1. Minimum Salary for Private is \$9,989, after 15 years and nine steps maximum salary is obtained \$14,758

2. Sergeant minimum salary is \$11,471 after 15 years and a similar nine step process maximum salary is obtained at \$16,948

3. Captain minimum salary is \$14,521, after 15 years and a similar nine step process maximum salary is obtained at \$21,454.

4. Night Differential is figured for the hours of 12 noon to 8 p.m. is 15¢ an hour extra \$557.00 per year.

- Fairfax county does not offer any education incentive

These salary rates were effective as of July 1st 1973 and will change the 1st of July 1974. There will be 9 1/4% increase across the board at that time.

PAY COMPARABILITY

INDIANAPOLIS

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$ 8,000 ¹	1 yr. college 2½% base pay
Third Year Private	\$ 9,750	2 yr. college 5% base pay
Seventh Year Private	\$ 9,950	3 yrs. college 7½% base pay
Tenth Year Private	\$10,050	4 yrs. college 10% base pay
16th Year Private	\$10,350 ²	
Sergeant (or equiv.) with 8 years on force	\$10,800	
Sergeant (or equiv.) with 16 years on force	\$11,200	
Captain (or equiv.) with 12 years on force	\$12,700 ³	
Captain (or equiv.) with 16 years on force	\$12,900	

¹
Minimum salary for Indianapolis Patrolemans is \$8,000; maximum is \$9,750 received after third year. Longevity benefits are the following: After 4 years working on fifth \$100 a year, every other year receive another \$100.

²
Base salary for Sergeant is \$10,600 without longevity. Only one salary position.

³
Base salary for Captain without longevity is \$12,300. There is only one salary position.

- The city of Indianapolis does not offer night differential pay. Salary effective as of January 1, 1974.

PAY COMPARABILITY

Jersey City

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$11,745 ¹	4
Third Year Private	\$12,212	
Seventh Year Private	\$12,412	
Tenth Year Private	\$12,612	
16th Year Private	\$12,812 ²	
Sergeant (or equiv.) with 8 years on force	\$14,514	
Sergeant (or equiv.) with 16 years on force	\$14,914	
Captain (or equiv.) with 12 years on force	\$18,919 ³	
Captain (or equiv.) with 16 years on force	\$19,119	

¹ Minimum salary for Private is \$11,745; maximum without longevity is \$12,212 obtained after 3 years. Longevity is received after 5 years at \$200 a year for every 5th year until 20 years.

² Sergeant minimum salary is \$14,314 with some longevity benefits.

³ Captain minimum salary is \$18,519 with same longevity.

⁴ A night differential of 25¢ an hour is received for an if at least 4 hours are worked after 4 p.m.

These rates were effective as of April 28, 1973. Salaries are being re-negotiated asking \$2,000 increase across the board; and another \$200 increase in longevity benefits for 25 years of service.

PAY COMPARABILITY

KANSAS CITY

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) Including longevity, if any
First Year Private	\$ 8,998	4
Third Year Private	\$ 9,900	
Seventh Year Private	\$12,012	
Tenth Year Private	\$12,612	
16 Year Private	\$13,509 ¹	
Sergeant (or equiv.) with 8 years on force	\$13,509	
Sergeant (or equiv.) with 16 years on force	\$15,536 ²	
Captain (or equiv.) with 12 years on force	\$15,536	
Captain (or equiv.) with 16 years on force	\$16,908 ³	

¹ Maximum salary a Patrolman can make is \$13,509 which includes 5% cost of living.

² Sergeants have one pay level, but including cost of living \$15,536 is maximum pay for Sergeants

³ Captains also have one pay step with the minimum being \$14,536 and the maximum with cost of living at \$16,908

⁴ Kansas City has no educational incentive programs nor any differential pay scales for night duty patrolman.

SALARIES EFFECTIVE May 1, 1974

PAY COMPARABILITY

LOS ANGELES

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
	1	
First Year Private	\$12,552	
Third Year Private	\$13,992	
Seventh Year Private	\$14,760	
Tenth Year Private	\$14,760	
16th Year Private	\$14,760	
Sergeant (or equiv.) with 8 years on force	\$16,452	2
Sergeant (or equiv.) with 12 years on force	\$18,336	
Captain (or equiv.)	\$22,800	3
Captain (or equiv.) with 16 years on force	\$28,020	

1
Minimum salary for Los Angeles Patrolman is \$12,552; maximum is \$14,760 which is received after the fourth year. There are no longevity benefits until 20 years of service.

2
Minimum Sergeant salary is \$16,452; maximum is \$18,336 which is received after 3 years service.

3
Captain minimum salary is \$22,800; maximum is \$28,020 which is received under normal promotion in 4 years.

4
Educational incentives are provided for Privates, as the following 60 semester hours or 2 years allows the probationary officer to enter at the second pay step; 120 credits allows entrance at 3rd step; while a degree from a four year school allows entrance at the 3rd step which equals \$13,260.

- THESE SALARIES HAVE BEEN EFFECTIVE AS OF July 1, 1973 - PROJECTED Estimates for this year asking 6% to 7% increase.

PAY COMPARABILITY

MIAMI, FLORIDA

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$10,956	3
Third Year Private	\$12,084	
Seventh Year Private	\$14,004	
Tenth Year Private	\$14,700	
16th Year Private	\$15,432	
Sergeant (or equiv.) with 8 years on force	\$12,684 ¹	
Sergeant (or equiv.) with 16 years on force	\$16,200	
Captain (or equiv.) with 12 years on force	\$17,016 ²	
Captain (or equiv.) with 16 years on force	\$21,720	

1

Minimum salary for Sergeant is \$12,684, maximum without longevity is \$16,200. Longevity is incurred after 10 years in Sergeant status at \$17,016; after 15 years \$12,868 is the annual salary.

2

Minimum Captain salary is \$17,016, maximum without longevity is \$21,720 and is received after 6 years. Longevity is incurred after 10 years at \$22,800; and after 15 years at \$23,940.

3

Presently there is no educational incentive program provided by the City of Miami. But beginning July 1, 1974, a college incentive program will be initiated, where a police officer with an Associate's Degree will receive \$30,00 per month or \$360 per year; Bachelor's degree will receive \$50.00 per month or \$600 per year extra.

Law enforcement career development courses will also be initiated, comprising 320 hours of coursework. Completion of the 80 hours of coursework entitles the police officer an additional \$20 per month or \$240 per year.

Maximum of \$130 per month is allowed for educational incentive.
(\$1,560 per year)

PAY COMPARABILITY

MILWAUKEE

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$11,146	16-28 credits \$75.00 per year
Third Year Private	\$12,077	28-40 credits \$125.00 per year
Seventh Year Private	\$13,140	40-52 credits \$175.00 per year
Tenth Year Private	\$13,390 ¹	52-64 credits \$225.00 per year
16th Year Private	\$13,890	64-90 credits \$275.00 per year
		120 - no degree \$450.00 per year
		Bachelor's Degree \$750.00 per year
Sergeant (or equiv.) with 8 years on force	\$13,729 ³	
Sergeant (or equiv.) with 15 years on force)	\$14,904	
Captain (or equiv.) with 12 years on force	\$14,956 ⁴	
Captain (or equiv.) with 16 years on force	\$18,457	

¹ Base salary plus longevity, longevity of 8-16 years would increase Patrolman's annual salary by \$250.00, 16 or more years would increase salary by \$500 annually.

³ Minimum Sergeant base pay is \$13,479 with longevity raises to \$13,729. Maximum base without longevity is \$14,464, with 16 or more years would raise this to \$14,904.

⁴ Minimum Captain's pay salary is \$14,706; maximum \$17,957 with longevity figure at \$14,956, and \$18,457 respectively.

THESE RATES HAVE BEEN EFFECTIVE SINCE November 4, 1972, AND ARE DUE FOR REVISION November 1974. NO PROJECTION FOR FUTURE PAY RAISE.

PAY COMPARABILITY

MINNEAPOLIS, MINNESOTA

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty, including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
FIRST YEAR PRIVATE	\$11,028 ¹	No college
THRID YEAR PRIVATE	\$12,504	No night differential
SEVENTH YEAR PRIVATE	\$14,040	
TENTH YEAR PRIVATE	\$14,184	
16th YEAR PRIVATE	\$14,472	
SERGEANT (or equiv.) with 8 years on Force	\$15,624 ²	
SERGEANT (or equiv.) with 16 years on force	\$16,044	
CAPTAIN (or equiv.) with 12 years on force	\$17,172 ³	
CAPTAIN (or equiv.) with 16 years on force	\$17,232	

¹ Minimum base salary is \$11,028 a year, maximum reached including longevity is \$14,976 obtained after 25 years. Longevity is received after 7 years at \$4.00 extra per month.

² Base salary for Sergeant after 7 years on the force is \$15,576

³ Base salary for Captain is \$16,800 without longevity

THESE RATES WERE EFFECTIVE AS OF JANUARY 1st 1974 AND WILL BE RENEGOTIATED FOR January of 1975. PROJECTED INCREASE IS SEEN AT COST OF LIVING PLUS 5%.

PAY COMPARABILITY

MONTGOMERY COUNTYEducation Status of Officers and
Duty Requirements

Rank and Length of Service (assuming normal promotion dates)	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any				
		15 HRS	30 HRS	60 HRS	BA -	MA or JD
FIRST YEAR PRIVATE	\$10,104 ¹	10,350	10,595	11,113	11,669	12,253
SECOND YEAR PRIVATE	\$11,113	11,392	11,669	12,253	12,866	13,509
THIRD YEAR PRIVATE	\$13,509	13,848	14,186	14,895	15,640	16,423
FOURTH YEAR PRIVATE	\$14,186	14,541	14,895	15,640	16,423	17,244
FIFTH YEAR PRIVATE	\$14,895	15,268	15,640	16,423	17,244	18,107
SERGEANT (or equiv.) with 8 years on Force	\$12,253 ²	12,583	12,913	13,573	14,233	14,893
SERGEANT (or equiv.) with 16 years on force	\$16,423	16,833	17,244	18,065	18,886	19,707
CAPTAIN (or equiv.) with 12 years on force	\$16,423 ³	16,833	17,244	18,065	18,886	19,707
CAPTAIN (or equiv.) with 16 years on force	\$22,010	22,560	23,110	24,030	25,130	26,410

¹ Minimum salary for Montgomery County Policeman is \$10,104, maximum without longevity is \$13,509 received after 7 years. Longevity is received after completion of 10, 14, and 18 years of 5% increments.

² Minimum salary for Sergeants is \$12,253, maximum is \$16,423 received after 7 years. Same longevity benefits apply for Sergeants.

³ Minimum Captain salary is \$16,423, maximum is \$22,010 received after 7 years. Same longevity benefits apply.

⁴ Educational differential is computed as the following: 2½% for 15 hours; 5% for 30 hours; 10% for AB or 60 hours; 15% for BA; 20% for MA or J.D.

THESE SALARIES ARE EFFECTIVE UNTIL JULY OF 1973

INCREASE EFFECTIVE THIS JULY, C.O.L. AT 7% Minimum 700-maximum \$1200

PAY COMPARABILITY

NEWARK

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty, including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$11,084 ¹	No College Incentive No Night Differential
Third Year Private	\$12,250	
Seventh Year Private	\$12,250	
Tenth Year Private	\$12,500	
16th Year Private	\$12,750	
Sergeant (or equiv.) with 8 years on force	\$12,834 ²	
Sergeant (or equiv.) with 16 years on force	\$14,192	
Captain (or equiv.) with 12 years on force	\$15,787 ³	
Captain (or equiv.) with 16 years on force	\$16,001	

¹ Minimum Patrolman salary is \$11,084; maximum is \$12,250 received after 3 steps in 3 three years. Longevity is received after 10 years at 2%, after each subsequent 5 year period an extra 2% is received maximum is 10% after 30 years.

² Minimum Sergeant salary is \$12,834; maximum is \$13,648 received after 3 steps in 3 years. Same longevity benefits apply for Sergeants as Patrolman.

³ Captain minimum pay is \$15,479; maximum is \$16,915 received after 3 years. Same longevity benefits apply for Captain as Patrolman.

⁴ Newark does not offer a night differential.

THESE SALARIES WERE EFFECTIVE AS OF JANUARY 1, 1973. CURRENTLY NEGOTIATIONS ARE UNDER WAY TO REVISE NEWARK'S PAY SCALE.

Police are asking for a 2 year contract with \$1,000 increase across the board for each year. As well, they are asking for a college incentive of \$200 extra per year for an associate's degree and \$400 for a bachelor's degree.

PAY COMPARABILITY

NEW YORK CITY

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$11,944 ¹	Night Duty 10% extra
Third Year Private	\$14,644	
Seventh Year Private	\$15,350	
Tenth Year Private	\$15,450	
16th Year Private	\$15,550	
Sergeant (or equiv.) with 8 years on force	\$19,160 ²	
Sergeant (or equiv.) with 16 years on force	\$19,955	
Captain (or equiv.) with 12 years on force	\$31,407 ³	
Captain (or equiv.) with 16 years on force	\$31,602	

¹ Minimum salary for NY Patrolman is \$11,194, maximum without longevity \$15,520 received after 3 years on the force. Longevity benefits are 100 per annum for every 5 years on the force.

² Base minimum salary for Sergeant is \$18,835. Longevity is received after 5 years at \$130 a year; after 10 years \$250 per year; after 15 years \$380 per year.

³ Base salary for Captain is \$31,042. Longevity is obtained after 5 years at \$195 per year for every fifth year.

There is no college incentive.

Night differential is 10% extra - for full 8 hours after 4 p.m. Patrolman contract expires June of this year, no projection is seen for future salary adjustment.

PAY COMPARABILITY

PHILADELPHIA

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty, including longevity, if any	Officer with college degree, 2/3 time on night duty (p.m. to 8 p.m.) including longevity, if any
First Year Private	\$12,441 ¹	4 No college in- centive, no night duty
Third Year Private	\$13,022	
Seventh Year Private	\$13,127	
Tenth Year Private	\$13,212	
16th Year Private	\$13,317 ²	
Sergeant (or equiv.) with 8 years on force	\$14,148	
Sergeant (or equiv.) with 16 years on force	\$15,020	
Captain (or equiv.) with 12 years on force	\$18,161 ³	
Captain (or equiv.) with 16 years on force	\$19,121	

¹ Minimum for Private is \$12,441, maximum is \$13,022, which is obtained after 3 years. Longevity benefits are \$105.00 increments for every fifth year.

² Sergeants minimum salary is \$14,043 maximum is \$14,705 obtained after three years. Longevity is \$105.00 for every fifth year.

³ Captain minimum salary is \$17,951, maximum is \$18,811 achieved after 3 years. Longevity is \$105.00 for every fifth year.

⁴ No college incentive, no night differential.

THESE SALARIES ARE EFFECTIVE AS OF JULY 1, 1974. Raise was \$1000.00 increase across the board.

PAY COMPARABILITY

PITTSBURGH

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$ 9,963 ¹	No night differential No college incentive
Third Year Private	\$10,568	
Seventh Year Private	\$10,900	
Tenth Year Private	\$10,900	
16th Year Private	\$10,900	
Sergeant (or equiv.) with 8 years on force	\$11,840 ²	
Sergeant (or equiv.) with 16 years on force	\$11,840	
Captain (or equiv.) with 12 years on force	\$14,012	
Captain (or equiv.) with 16 years on force	\$14,012	

¹ Minimum salary for Pittsburgh Patrolman is \$9,963; maximum is \$10,900 received after 4 years of service. Pittsburgh does not provide any longevity benefits.

² Flat salary for Sergeant is \$11,840

³ Flat salary for Captain is \$14,012

These rates were effective as of January 1, 1974, will be renegotiated January 1, 1975.

PAY COMPARABILITY

PRINCE GEORGES COUNTY

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$10,275 ¹	15-29 credits - 5% added to base salary
Third Year Private	\$11,898	30-59 credits - 7½% added to base salary
Seventh Year Private	\$13,749	60-BA credits 10% added to base salary
Tenth Year Private	\$14,456	BA credits 15% added to base salary
16th Year Private	\$15,163 ²	BA+30 credits 20% added to base salary
Sergeant (or equiv.) with 8 years on force	\$12,501	
Sergeant (or equiv.) with 16 years on force	\$16,723	
Captain (or equiv.) with 12 years on force	\$15,192 ³	
Captain (or equiv.) with 16 years on force	\$21,341	

¹ Prince Georges County has a 6 year increment from minimum to maximum. Starting salary for Patrolman is \$10,275 maximum without longevity is \$13,749.

² Figure shown is entry salary for Sergeant. Sergeants go through similar six year increment for minimum to maximum. Longevity is computed after 10 years within rank of Sergeant. After 10 years a Sergeant's salary is \$17,555, and after 14 years \$18,450./

³ Figure shown is entry salary for Captain. Captain's go through a six year incremental rise with highest salary without longevity at \$21,341. Longevity applies only after 10 years in the status of Captain which would be \$22,402, and \$23,546 after 14 years.

SALARY EFFECTIVE JULY 8, 1973; Will be renegotiated for this July asking on the average 5% - 8% cost of living and retirement.

PAY COMPARABILITY

ST. LOUIS

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements		
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any	
		60 Hrs or Associates Degree	<u>BA or Advanced</u>
First Year Private	\$ 9,464 ¹	\$ 9,880	\$10,270
Third Year Private	\$10,192	\$10,608	\$10,998
Seventh Year Private	\$11,518	\$11,934	\$12,324
Tenth Year Private	\$11,674	\$12,090	\$12,480
16th Year Private	\$11,882	\$12,298	\$12,688
Sergeant (or equiv.) with 8 years on force	\$13,364 ³	\$13,780	\$14,170
Sergeant (or equiv.) with 16 years on force	\$13,832	\$14,248	\$14,631
Captain (or equiv.) with 12 years on force	\$16,848 ⁴	\$17,262	\$17,654
Captain (or equiv.) with 16 years on force	\$16,848	\$17,262	\$17,654

¹ Minimum starting salary for private is \$9,464, maximum is \$12,116 received after 21 years

² College incentive: \$46 per year for 60 hours, and BA or advance degree would enable the officer to earn \$806 per year extra

³ First five years as sergeant at minimum pay \$13,364, 6 and over salary is \$13,832

⁴ One pay scale for Captain at \$16,848

PAY COMPARABILITY

ST. PAUL, MINNESOTA

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty, (4 p.m. to 8 p.m. including longevity, if any
First Year Private	\$11,446	Full night pay ³ \$12,084
Third Year Private	\$12,506	\$13,044
Seventh Year Private	\$13,234	\$13,872
Tenth Year Private	\$13,728	\$14,366
16th Year Private	\$14,378	\$19,916
Sergeant (or equiv.) with 8 years on force	\$15,262 ¹	
Sergeant (or equiv.) with 16 years on force	\$16,380	
Captain (or equiv.) with 12 years on force	\$18,486 ²	
Captain (or equiv.) with 16 years on force	\$19,266	

¹ Sergeant salary figured as years as Sergeant, not years on force

² Captain salary figured as years as Captain not as years on the force

³ Full night pay computed at \$538 per year

College incentive is provided by offering $\frac{1}{2}$ tuition reimbursement

These rates were effective as of May 27, 1974, retroactive to January 1, 1974. Will be renegotiated for January of next year.

PAY COMPARABILITY

SAN DIEGO

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements		
	Officer with no college, no night duty including lon- gevity, if any	July 1, 1974	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$11,244 ¹	\$12,060	\$12,840
Third Year Private	\$12,876	\$13,896	\$14,676
Seventh Year Private	\$13,572	\$14,580	\$15,360
Tenth Year Private	\$13,572	\$14,580	\$15,360
16th Year Private	\$13,572	\$14,580	\$15,360
Sergeant (or equiv.) with 8 years on force	\$12,948 ²	\$13,896	\$14,676
Sergeant (or equiv.) with 16 years on force	\$15,648	\$16,812	\$17,592
Captain (or equiv.) with 12 years on force	\$16,812 ³	\$18,504	\$19,284
Captain (or equiv.) with 16 years on force	\$20,364	\$22,412	\$23,192

¹ Minimum starting Patrolman salary is \$11,244; maximum is \$13,572 received after 3 years of serving. San Diego offers no longevity benefits.

² Minimum Sergeant salary is \$12,948, maximum is \$15,648 received after the 3rd year in the Sergeant Rank.

³ Minimum Captain salary is \$16,812; maximum is \$20,364 received after 3 years as Captain.

⁴ Educational incentive is awarded for completion of Associate's degree in law enforcement.

No Night differential is offered

PAY COMPARABILITY

SAN FRANCISCO

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty including lon- gevity, if any	Officer with college degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$14,448 ¹	4
Third Year Private	\$14,868	
Seventh Year Private	\$15,048	
Tenth Year Private	\$15,048	
16th Year Private	\$15,048	
Sergeant (or equiv.) with 8 years on force	\$17,496 ²	
Sergeant (or equiv.) with 16 years on force	\$17,496	
Captain (or equiv.) with 12 years on force	\$23,460 ³	
Captain (or equiv.) with 16 years on force	\$23,460	

¹ Minimum salary for Patrolman is \$14,448; maximum salary is \$15,048 which is received after 4 years. There are no longevity benefits at any time span.

² Flat rate for Srrgeant is \$17,496, no longevity is obtained

³ Flat rate for Captains is \$23,460 no longevity is obtained at any level.

⁴ No educational incentives are offered in the San Francisco Police Force.

Salaries effective as of July 1, 1973, will be renegotiated for July of 1974, no projection for future salaries is known.

PAY COMPARABILITY

SEATTLE

Rank and Length of Service (assuming normal promotion rates)	Education Status of Officers and Duty Requirements	
	Officer with no college, no night duty, including lon- gevity, if any	Officer with degree degree, 2/3 time on night duty (4 p.m. to 8 p.m.) including longevity, if any
First Year Private	\$10,512	
Third Year Private	\$12,384 ¹	
Seventh Year Private	\$13,568	
Tenth Year Private	\$14,108	
16th Year Private	\$14,108	
Sergeant (or equiv.) with 8 years on force	\$14,614 ²	
Sergeant (or equiv.) with 16 years on force	\$14,900	
Captain (or equiv.) with 12 years on force	\$18,684 ³	
Captain (or equiv.) with 16 years on force	\$20,160	

¹ After 30 months - minimum salary is \$10,512; maximum is \$13,302 which can be achieved after a 42 month period. Longevity equals 2% after 5 years and 4% after a 10 year period.

² Base pay for Sergeant is \$14,328; maximum is \$14,976. Same longevity benefits apply.

³ Base salary for Captain without longevity is minimum \$18,684; maximum is \$20,160, which can be achieved after one and a half years. There is no longevity benefits provided for the Captain rank.

These salaries have been effective since September 1, 1973. They are to be renegotiated for September of this year.

- Asking for Cost of living for the previous months plus 2%
- Asking for education incentive which would provide the following:
For every year of college an additional one percent raise (eg)
One year - 1%; 2 year - 2%; 3 year - 3%; 4 year - 4%

The CHAIRMAN. We will now hear from the representatives of the firefighters.

STATEMENTS OF RAMON F. GRANADOS, PRESIDENT; AND ALBERT O. RAEDER, EXECUTIVE ASSISTANT; FIREFIGHTERS ASSOCIATION

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

The CHAIRMAN. Your prepared statement will be made a part of the record, and we would appreciate it if you would give us the principal highlights.

Mr. GRANADOS. I would like to open my remarks by deviating slightly from my prepared statement which I have given to you, and express our warm appreciation for the warm and generous remarks by the Mayor concerning our pay increases. Although we would very much like to assist in finding the moneys to pay for our increases, we feel that we have no expertise in that particular area.

We will leave that up to the committee.

S. 2829 ACCEPTABLE TO FIREFIGHTERS

We are here today to address ourselves to S. 2829. We are under the impression that the Senate Committee on the District of Columbia would appreciate our testimony being both succinct and brief and we shall try to comply. The Beall-Mathias bill conveying a 15-percent increase effective January 1, 1974, is a reasonable measure and certainly acceptable to us. The hard facts as to the increase in the Consumer Price Index indicated that by February 1974 the cost of living had escalated, since the date of our last pay raise in May 1972, by 14.6 percent. Therefore it seems to us that a 15-percent increase effective the prior month is surely not unduly generous.

AUTOMATIC PROCESS SHOULD BE PROVIDED

We are strongly in favor of the supportive language in the bill which provides that annual increases in the future shall be based on a floor of the increase in the Consumer Price Index as it applies to the District of Columbia. We believe it to be extremely important that some sort of automatic process be provided whether it be based on the cost of living, as in the bill, or a survey of comparable salaries or in the last extreme by some sort of compulsory arbitration which enables us to resolve impasses with the city on wage or other labor-connected disputes.

EDUCATIONAL INCENTIVES

We extend our thanks to the two sponsoring Senators for their inclusion of educational incentives in S. 2829 for we truly believe that such incentives to acquire additional education in a fire science related curriculum are not only desirable for all members but are, or will be in the near future, mandatory for all chief officers.

We are submitting for the committee study a rather detailed analysis of what we believe are extremely strong justifications for a salary increase far above that which the city contemplates. We submitted this testimony before the House committee. We believed it to be persuasive then. We hope and believe that you will concur.

The CHAIRMAN. Thank you very much. It should be noted for the record that Senator Mathias, who very much wanted to be here, since his bill is part of the principal discussion, is testifying on appropriation matters and thus he cannot be in two places at the same time. But his views are as strong as mine are with regard to this subject matter.

SECOND INCREASE IN 5 YEARS

Mr. RAEDER. Mr. Chairman, I think it should be called to the committee's attention that this will be our second pay increase in 5 years, and I think that is an important thing.

I believe that the infrequency of our pay raises have done almost irreparable harm to the earning power of our people. It is a tremendous difference between getting annual pay raises, and getting them twice in 5 years. I feel very strongly about it. We, of course, understand that there is no way we can recoup the money that has been lost, but we would hope that the committee would keep that fact in mind.

The CHAIRMAN. Thank you, gentlemen.

[The prepared statement of the Firefighters Association, District of Columbia, Local 36, I.A.F.F. follows:]

FIRE FIGHTERS ASSOCIATION



LOCAL No. 36
INTERNATIONAL ASSOCIATION
of FIRE FIGHTERS



DISTRICT OF COLUMBIA
2120 BLADENBURG ROAD, N.E.
SUITE 210
WASHINGTON, D. C. 20018
CODE 202 635-8500

RAMON F. GRANADOS
President
STEPHEN H. SOUDER
1st Vice President
LAWRENCE L. BEARDMORE
2nd Vice President
MICHAEL C. TIPPETT
Treasurer
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Sergeant-At-Arms
ALBERT O. RAEDER
Executive Assistant
CLAYTON R. HAWKINS
Secretary

STATEMENT REGARDING H.R. 14212 and other PAY PROPOSALS

Submitted by the

Fire Fighters Association, District of Columbia
Local 36, I. A. F. F.

We feel compelled to open our statement in behalf of a salary increase by drawing your attention to one singular and salient fact about the proposal of the District of Columbia Government-- it is completely unilateral. (The attached letter will illustrate the lengths to which we have gone.) We had no part in negotiating its terms, nor did any of the organized police groups. In the past, although the District and the public safety associations have differed on certain aspects of pay legislation, long and hard negotiations had almost invariably hammered out a consensus on the amount of the proposed increase. This time, because of three police groups vying for exclusive representation, the District felt unable to negotiate with any of them until that issue had been resolved. This has still not been done and it is now far too late to begin salary discussions. As for our Association, although the District has exchanged views with us in a casual fashion, there has been no bargaining in any true sense of the word, and indeed there could

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GREATER WASHINGTON CENTRAL LABOR COUNCIL

not have been without police representation.

To be perfectly candid, if we understand the position of the District Government (i.e., a 10% increase effective July 1, 1974), we view that position as completely unreasonable, given the sky-rocketing increase in the cost of living. This latter fact illustrates the intransigence of the District position, for they first broached the ten percent figure in April, 1973, at which time the Consumer Price Index for the Washington area had risen less than 5% in the preceding year. At that time, a ten percent increase, (projected to July, 1974) while not overly generous did not seem unreasonable. Now, however, with the cost of living having jumped an additional 10% in the past year, for the District to continue to insist on maintaining that same increase, flies in the face of logic and equity. To be precise, the Consumer Price Index for the Washington area has risen 14.6% from May 1972 to February 1974. By July 1, it is highly probable it will have increased 17%.

A factor that should speak for more generous treatment of our members is the relative infrequency of our salary changes. Assuming this one takes effect July 1, 1974 it will be our second in five years, this at a time when the private sector operates on a yearly pay review, and the whole Government structure, Federal and District, white collar and blue collar get not only yearly, but automatic pay raises without the need for legislation--with the exception of D.C. firefighters, police officers, and teachers.

An interesting aside here is the fact that our last increase (May, 1972) covered a 2-year and ten-month period (prior increase July 1, 1969). This increase was in the amount of 17.4% and was

ratified by the Pay Board as being fair for that long time frame. The cost of living during that same period increased but 12.4%. Thus our last increase included a real salary increase of 5%. This time, in the face of a prospective cost of living increase of at least 17%, the District proposes that we take 10%, an amount which would leave us an effective 7% below our salaries of May, 1972; and further, with no compensation for the decline in our earnings, month by month, over that period. The chart which we append gives a graphic example of that dollar loss. You can see that our lowest paid firefighter, over a five-year period, has taken a loss of \$3,121. Ironically, the 10% increase which the District proposes will again achieve parity for a moment, although it does nothing to recoup the dollar drain in the prior period. However, on October 1, 1974, under the provisions of the Federal Pay Comparability Act of 1970, the classified workers (Federal and District) will again receive their annual automatic increase which this year will probably be at least 6%. Thus, our lowest paid member, after being on a level with his classified counterpart for three-months, again falls back by an estimated \$660. per annum.

An even more astounding figure is the extent by which the Federal and District retiree's pensions have escalated. Since the date of our last pay raise, by July 1, 1974 their pensions will have increased by at least 25%. Although we levy no complaint against the necessary and justifiable increase in the annuities of classified pensioners, is it logical to increase these pensions by 25% and ask active workers to accept 10% for the same period?

The District Government has not quarreled with the fact that our position on cost of living is a reasonable one. They simply

say they don't have the money. Our position is, they have the money for automatic classified and blue collar increases and they have it for automatic pension increases--and therefore why can't they somehow arrange to have it (or budget it) for what we and they know are legitimate demands.

The District of Columbia has prepared a chart for your edification relating to minimum and maximum salaries of firefighters in cities of 500,000 and above. This chart will illustrate what the firefighters of certain cities are receiving now. We would like to call to your attention, however, that by the date of our prospective increase July 1, 1974 the following cities will have received salary raises which will have made obsolete those named by the District-- Los Angeles, San Diego, San Francisco, Detroit, New York, Cleveland, Philadelphia. More important, all these cities are comparable to Washington in the matter of the money necessary to raise a hypothetical family of four--which is a different thing than the Consumer Price Index. We believe it makes far more sense to compare salaries with cities of like living expense than it does with cities of like populations.

Again, referring to the District's chart as it relates to our "maximum" salaries, be advised that here in D.C. it takes 16 years to arrive at maximum. In the other 28 cities on the chart, the average time to arrive at maximum is 3.2 years. In fact, the District is throwing in three increments of longevity pay (three-years apart each) and counting them as being included in the maximum pay. On the occasion of our last pay bill, with the exact pay structure we have now, the District testified that our maximum pay occurred after 7-years, and was \$12,900. This year they add the longevity-in-grade

steps (covering nine additional years) and have somehow rationalized our maximum to be \$14,400. With the Los Angeles firefighter receiving \$14,760 after two-years, can anyone believe that \$14,400 after sixteen-years is comparable?

In fact, so called maximum salaries contain so many intangibles that they are difficult to compare. Some cities have night differentials--we do not--which are not shown on the salary scale. At least one major city takes no deduction from the firefighter for pension purposes, which of course does not show on a salary comparison chart. Cities have varying longevity programs--ours is a fine one--but the net effect is that it is hard to add up these benefits and arrive at a solid conclusion.

No such difficulty presents itself with starting salaries. They are just what they are represented to be. And our starting salary of \$10,000 pales in comparison with those of San Francisco (\$14,448), Los Angeles (\$12,552), New York (\$11,944), Philadelphia (\$11,441), Cleveland (\$11,388), San Diego (\$10,980), and Chicago (\$11,148). And everyone of these cities, with the possible exception of Chicago, anticipates a salary increase in July of this year.

In the neighboring jurisdictions, Alexandria, Prince Georges, and Montgomery, all now receive higher entrance salaries than we. Prince Georges and Montgomery both have fine longevity programs, and as of now, after 20-years in the rank of firefighter the total salaries (including longevity) in each jurisdiction are:

Prince Georges.....	\$275,205
Montgomery.....	\$270,360
Washington, DC.....	\$256,100

In addition both counties will receive their annual increases this July. The City has constantly maintained that our rates should

be higher than those of our suburban neighbors in order to keep us competitive. On the occasion of our last increase, the City produced charts showing that Prince Georges was paying \$1300. less; and Montgomery \$1000. less than the starting salary they sought for us. Now both have passed us and as of July 1 will be even further past. Again, comparisons must be made with their potential new salaries, not ones which will be outdated at the time ours becomes effective.

Bear in mind the comparisons are between an urban metropolis with its inner city and its attendant problems of far higher incidence of fire, arson, and harassment, and suburban communities with one family houses. We suggest to you that the respective difficulties of the jobs are not comparable.

The draft of the City also proposes the institution of retirement funding. This subject is not within our area of competence but we do feel it fair to say that if the city, due to a policy (approved by the Congress) of not funding, now finds itself saddled with a huge unfunded liability, then we believe and hope that the Congress will take strong steps to help alleviate the problem.

Both the City's proposal and H.R. 14212 have provisions regarding tightened administrative procedures concerning disability retirements. We are in accord with the philosophy expressed in each. We have no objection to any administrative measure which will preserve our present system so that it may be used for those who truly deserve its benefits.

Let us turn now to the variety of pay bills introduced by members of the Congress. All of them are generous and we thank the sponsors, especially the members of the District Committee. Without exception,

they contain a section which we deem as vital to this legislation. That is, provision in each is made for an automatic yearly increase geared to the change in the cost of living as measured by the Consumer Price Index. In the face of the deep erosion in our salaries month after month, especially over the last year, we feel that we need this type of guarantee. In our view this will not eliminate collective bargaining with the City over future salary revisions but it will put a floor under those revisions which cannot be violated.

Another vital issue which we feel is extremely important to us is included in H.R. 14212 and provides for arbitration to resolve labor disputes. We sincerely intend to engage in good faith bargaining with the City in the future but there must be a way to resolve impasses.

In the present situation, the City is offering us 10% because that is what they allocated to us over a year ago, and that projection has proved to be unfortunate, but they simply say to us "Where is the money coming from for any higher increase?" Now, however that is not the end of the matter because we have the Congress to appeal to, which is why we are here today. In the future, however, to whom do we turn? We know it will be possible to appeal to you after Home Rule, but as a practical matter, we view it as being highly unlikely that the Congress, having given the city the right to govern itself, will intervene except in dire emergencies. Too, in many ways we are a "locked-in" segment of labor. We cannot transfer to other cities or jurisdictions without beginning all over again at the probationary salary, and indeed even that is impossible after a few years because of the age ceiling (29 in D.C.). Therefore, our members are forced to stay here on this job or start a whole new career; in the overwhelming majority of cases the latter is hardly feasible, especially

when men are doing work which they both like and do well. We feel that protective measures must be adopted so that this "locked-in" feature of our members cannot be capitalized on.

For these reasons therefore we view it as imperative that binding arbitration to resolve impasses be a feature of the bill.

Speaking to the Educational benefits proposed, we would call your attention to the knowledge and skills necessary in present-day fire fighting. Let us examine the subjects with which we must be conversant--the chemistry of fire, first aid, hydraulics, building construction, mechanical apparatus and devices which are growing more sophisticated, building codes, fire prevention codes, an intimate knowledge of our immediate district for rapid response, the individual peculiarities of the buildings therein, exotic fuels, varying types of extinguishing methods; plus, of course, an expert technique in the many evolutions which are used in varying circumstances. We might add that for promotion purposes members are questioned on the contents of twenty official books. In addition, our men are questioned on subjects related to fire protection, knowledge of which can only be obtained by outside reading. It is precisely because of the increasing complexity of the fire function that we feel the provisions which relate to giving credit for higher education are sound and desirable.

The night differential features would not apply to quite all active workers but would affect 95% of our work force, those who work around the clock and bear the brunt of actual fire fighting, and are therefore in line for special treatment.

As to what the initial salary increase should be, we believe that four factors should be considered.

First, the date of enactment. All the bills introduced carry retroactive effective dates. The City is firm that July 1974, should be the effective date. If the City is persuasive in winning this point, then we would hope the various sponsors would upgrade their proposals by the cost of living rise between their proposal date and July 1st.

Secondly, this bill covers a time span of 26-months. Our salaries will have eroded by about 17% by July 1. If that date becomes the effective date, our salaries must contain a 17% increase to even regain parity with what they were in May 1972. In our view, the \$10,000 of that date will have declined to an effective \$8,300 by July 1, 1974. The restoration to the 10,000 dollar value of May 1972 necessitates a 17% increase as an initial step.

Thirdly, some consideration should be given to an actual pay increase over and above that devoted merely to restoration.

Fourth, we entreat the Committee to take a long hard look at the appended chart. There, in vivid fashion, is portrayed the staggering dollar loss borne by our members due to the infrequency of our wage revisions. We are strongly deserving of being compensated to some degree in an attempt to recoup a portion of that loss.

These factors, in sum, add up to a big package. But the spiraling cost of inflation, and the infrequency of our raises are not of our making. We are continually faced with the necessity of justifying seemingly over-large salary increases but they are not abnormal within the time frame.

We believe we have a fine department. The American Insurance Association has placed us in Class I for all but two of the last thirty years, and we are currently in that class. It is no small distinction since only three other major American cities can make that

claim.

The citizens seem to be satisfied with us too, since the recent "Georgetown University Poll" registered only 4% of those polled as being dissatisfied with our Department.

And so we rest our case. We think it is a good one. We ask neither for merciful nor compassionate treatment. We ask for justice. We shall be content with your verdict.

FIRE FIGHTERS ASSOCIATION



LOCAL No. 36
INTERNATIONAL ASSOCIATION
of FIRE FIGHTERS



DISTRICT OF COLUMBIA
2120 BLADENSBURG ROAD, N.E.
SUITE 210
WASHINGTON, D.C. 20018
CODE 202 635-8500

RAMON F. GRANADOS
President
STEPHEN H. SOUDER
1st Vice President
LAWRENCE L. BEARDMORE
2nd Vice President
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Treasurer
PHILLIP J. TORRE
Sergeant-At-Arms
ALBERT O. RAEDER
Executive Assistant
CLAYTON R. HAWKINS
Secretary

March 7, 1974

The Honorable Walter E. Washington
Mayor
District Building
Washington, D.C. 20004

Dear Mayor Washington:

Over and above specific prohibitions contained in Chapter 25 of the D.C. Personnel Manual and elsewhere, a strike by firefighters in the District of Columbia would be unconscionable. Local 36 recognizes this fact and adheres to it; nevertheless, an impasse of serious proportions exists between us and your representatives as to a proposed pay raise. We respectfully request that you engage your personal attention towards affording us a suitable alternative.

In the past, when differences existed, we relied upon the Congress to act as final referee. This time, however, certain factors obtain which make this course of action both unreasonable and inappropriate.

To begin with, the difference between the positions of the two parties is too great. Your representatives have apparently settled on an amount of about 10%, effective July 1, 1974. The Bureau of Labor Statistics has fixed the rise in the Consumer Price Index since May, 1972 (the effective date of our last salary increase) to November 1973 (the last available date for Metropolitan Washington, D.C. data) as 10.9%. The continued increase in the national cost of living to the present date, plus informed projections to July 1, 1974, leaves little doubt that the Consumer Price Index will rise by at least 18% within the time period, May '72 to July '74. In addition, we might add that increases in the cost of living should hardly serve as the sole criterion governing salary increases for active employees. Ironically, it might be added that retired District classified employees



Page #2 - Ltr to Mayor Washington, dtd 3/7/74.

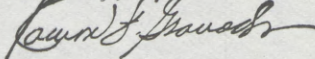
whose pensions are protected solely by cost of living increase have already had an increase of 17.3% in their pensions since our last salary increase, and this figure will undoubtedly rise to at least 22% by July 1, 1974. To repeat, our respective positions are poles apart.

Secondly, it has become obvious to us that due to such past occurrence as our joint presentation before the Pay Board, a Memorandum of Understanding, etc., key members of the Congress have the mistaken impression that true collection negotiations are being conducted concerning pay. In fact, there have been none. It is clear to us that the Congress does not care to arbitrate pay for the City, and we would like to cooperate along these lines.

Obviously, when Home Rule is in effect, we will enter into true collective bargaining with, we trust, acceptable remedies for impasses. In view of our current situation, we believe that it would be appropriate to submit our differences to mediation and arbitration. and feel Congress would view this as reasonable. We have no reluctance about placing our case before an impartial arbitrator.

We solicit your concern in this matter and hope that, should some impasse settlement machinery be applied, it will be a speedy process; for our members, especially those in the lower pay levels, are critically in need of relief to offset the insane spiralling cost of living in this area. May we meet with you in the immediate future to explore the course we have outlined?

Sincerely,



Ramon F. Granados
President

RFG:mwg
opeiu # 2

FIRE FIGHTERS ASSOCIATION



LOCAL No. 36
INTERNATIONAL ASSOCIATION
of FIRE FIGHTERS



DISTRICT OF COLUMBIA
2120 BLADENSBURG ROAD, N.E.
SUITE 210
WASHINGTON, D. C. 20018
CODE 202 635-8500

RAMON F. GRANADOS
President
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Secretary

EXPANSION OF REMARKS RE SALARY INCREASE

Submitted by the

Fire Fighters Association, District of Columbia
Local 36, I. A. F. F.

We open by restating our considered opinion regarding our proposed salary increase.

First, it should begin by reinstating the salary levels of May, 1972 (the date of our last pay boost); this to be done by increasing our present wages by the amount of the rise in the Consumer Price Index in the time frame May '72 to July '74.

Second, it should contain something in the nature of a real wage increase (i.e., something more than would just put us back where we were before large-scale wage erosion set in).

Third, we are deserving of being compensated to some degree (admittedly total restitution is impossible) for the dollar drain that has been exacted from us by virtue of the infrequency of our salary increases. Nothing more need be said to illustrate this latter point than that, as we sit here today, we have received one (1) pay increase in the last 4 years, eleven months and 12 days.



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GREATER WASHINGTON CENTRAL LABOR COUNCIL

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San Diego	4	10,980	13,260	11,753	14,255
Detroit	4	11,000	15,000	Association asking 18% for one year contract, subject to binding arbitration.	
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			April 1, 1975	11,073	15,914

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We do not quarrel with our present system. We believe it to be both good and important that a firefighter who is not promoted to higher rank can nonetheless, on occasion, go home to his family and announce that he has received a step promotion.

We do believe however it is unfair to compare our so-called "maximum" (after 16 years) with the average maximum of 3.2 years in the larger cities. Locally, Prince Georges and Montgomery County both receive their maximum pay after 6 years--six one year raises, and the District in each instance refers to this figure as their maximum. Montgomery, however, has a longevity system not unlike ours, whereby they add a real 5% (computed on the salary the man is drawing, not the bottom salary of that grade) at 10, 14, and 18 years. Prince Georges adds that same real 5% after 10, 14, 18, 22, 26, 30,--and so on, every four years, up to retirement. We believe that six years in these two counties does constitute a realistic time for maximum pay and that the pay increments after that should be treated as longevity and not "journey-man" pay. If the District, however, chooses to include our salaries in these longevity categories as contributing to maximum pay, then to be consistent they should add the longevity payments in Montgomery and Prince Georges to what they now designate as "maximum" in those jurisdictions.

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as did we. That is what we are doing now.

In closing, does it not seem ironic that the District in 1972 should cite a 10.6% increase in the cost of living as being an important reason for giving us a 17.4% increase, whereas now when a cost of living increase of almost 18% is looming up as a reality for the period May, '72 to July, '74, that same Government deems a tender of 10% as sufficient?

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	7-64	10-65	7-66	10-67	7-68	7-69	12-69	1-71	1-72	5-72	1-73	10-73	7-74	10-74
GS-13	12075	12510	12873	13507	14409	15812	16760	17761	18737	18737	18700	20677	20677	21504
CAPT.	12000	12000	12852	13647	13852	15800	15800	15800	15800	18600	18600	18600	21576	21576
DIFFERENCE/TIME PERIOD			-76	+105	-57	-5	-1040	-1961	-979	-90	-825	-1557	+225	
CUMULATIVE LOSS		-381	-381	-407	-302	-859	-864	-1904	-3865	-4844	-4934	-5759	-7316	-7991
GS-12	10250	10619	10927	11461	12374	13389	14192	15040	15866	15866	15866	16682	17497	18197
LT.	10000	10000	10710	11506	11710	13300	13300	13300	13300	15700	15700	15700	18212	18212
DIFFERENCE/TIME PERIOD			-464	-271	+33	-464	-36	-965	-1740	-855	-110	-735	-1347	+179
CUMULATIVE LOSS		-464	-464	-735	-702	-1166	-1202	-2157	-3907	-4762	-4872	-5607	-6954	-6775
GS-8	6630	6669	7068	7384	7689	8449	8956	9483	10013	10013	10528	11029	11029	11470
PVT.	6010	6010	6700	7800	8000	8500	8500	8500	8500	10000	10000	10000	11600	11600
DIFFERENCE/TIME PERIOD					+301	+301	+21	-494	-993	-504	-8	-396	-772	+243
CUMULATIVE LOSS					+301	+301	+322	-172	-1165	-1669	-1677	-2073	-2845	-2702

*Congress establishes parity with GS-8

FIRE FIGHTERS ASSOCIATION



LOCAL No. 36
INTERNATIONAL ASSOCIATION
of FIRE FIGHTERS



DISTRICT OF COLUMBIA
2120 BLADENSBURG ROAD, N.E.
SUITE 210
WASHINGTON, D. C. 20018
CODE 202 635-8500

RAMON F. GRANADOS
President
STEPHEN H. SOUDER
1st Vice President
LAWRENCE L. BEARDMORE
2nd Vice President
MICHAEL C. TIPPETT
Treasurer
PHILLIP J. TORRE
Sergeant-At-Arms
ALBERT O. RAEDER
Executive Assistant
CLAYTON R. HAWKINS
Secretary

EXPANSION OF REMARKS RE SALARY INCREASE

Submitted by the

Fire Fighters Association, District of Columbia
Local 36, I. A. F. F.

We open by restating our considered opinion regarding our proposed salary increase.

First, it should begin by reinstating the salary levels of May, 1972 (the date of our last pay boost); this to be done by increasing our present wages by the amount of the rise in the Consumer Price Index in the time frame May '72 to July '74.

Second, it should contain something in the nature of a real wage increase (i.e., something more than would just put us back where we were before large-scale wage erosion set in).

Third, we are deserving of being compensated to some degree (admittedly total restitution is impossible) for the dollar drain that has been exacted from us by virtue of the infrequency of our salary increases. Nothing more need be said to illustrate this latter point than that, as we sit here today, we have received one (1) pay increase in the last 4 years, eleven months and 12 days.



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*Congress establishes parity with GS-8

The CHAIRMAN. We will now hear from the representatives of the Teachers Union.

Good morning, Mr. Simons.

STATEMENT OF WILLIAM H. SIMONS, PRESIDENT, WASHINGTON TEACHERS' UNION, LOCAL NO. 6, AMERICAN FEDERATION OF TEACHERS, AFL-CIO

Mr. SIMONS. Thank you, Mr. Chairman.

The CHAIRMAN. Your full prepared statement will be made a part of the record, and if you would highlight it, we would appreciate it.

Mr. SIMONS. I shall be very brief.

H.R. 342 HAS TEACHER'S UNION APPROVAL

Let me state that you have before you consideration of H.R. 342, the interstate compact. The Senate had previously taken action on that bill, and I would hope they would concur with the bill from the House.

The union is in total agreement with that concept. Now, I will make a few detailed comments with respect to the pay raise for the teachers in the city.

TWO-PART INCREASE IS INEQUITABLE

The bill that is coming over from the House is acceptable, except for the fact that this will be the second time that our pay raise will have been split into two parts.

The matter coming from the House provides for a 10-percent increase as a step number one, and a 3-percent increase as of January 1, 1975.

We feel that this is inequitable, and we would like to see it all at one time. Certainly, we recognize the matter of financing of the bill, and certainly I am heartened by your comments today that you will do everything possible to see to it that the city does get the additional finances in order to pay for the increases of police, firemen, and teachers.

With that I would say thank you for your explanation and help on that.

The CHAIRMAN. Thank you, Mr. Simons.

[The prepared statement of Mr. William H. Simons follows:]

WILLIAM H. SIMONS, President
1917 Randolph Street, N.E.
526-4869

THE WASHINGTON TEACHERS' UNION

1424 16th STREET, N. W.
WASHINGTON, D. C. 20036



July 23, 1974

Senate District of Columbia Committee
United States Senate

Gentlemen:

I am William H. Simons, President of The Washington Teachers' Union, Local #6, American Federation of Teachers, AFL-CIO. Accompanying me this morning is Barry M. Spiegel, Legislative Representative for the Union.

With the approval of the Home Rule Charter, this is perhaps the last time that the teachers of the District of Columbia will have to appear before you to present testimony with respect to a salary increase. The Committee is to be commended for its efforts in providing the residents of Washington, D.C. a measure of self-determination. Your action, in turn, will mean increased benefits to you in terms of providing you more time to devote to matters of importance to the nation and to the world.

Teachers, like other employees, have been beset by the unabated rise in inflation which has resulted in the concomitant erosion of their purchasing power. Teachers, by-and-large, have never received adequate compensation since the inception of public education as a universal goal of this nation. Teachers have always been at a disadvantage in the market place.

There is hardly a day which passes that does not bring the sad tidings that the economic situation is becoming worse. On Friday, May 17th, The Washington Star-News reported in its headlines, "Inflation Rate Up, Output Down, U.S. Economic Picture Worsens." The story relates, "The inflation rate soared to 11.5 percent in the January-March Quarter, up from the estimate of 10.8 in the preliminary report a month ago. This was the highest inflation rate in 23 years."

In The Washington Post of Tuesday, May 21st, it was reported that the food index has increased at a 21.3 percent annual rate. The same article reported that the Agriculture Department has projected a retail food price rise of about 12 percent for all of 1974.

Senate District of Columbia Committee
July 23, 1974
Page 2.

Needless to say, everyone is aware of the constant rise in the price of gasoline and other petroleum products. The one-dollar-a-gallon for gasoline will probably be a fact of life within a very short time.

Another gloomy picture was painted by Sylvia Porter in her column which appeared in The Washington Star News on Tuesday, May 28, 1974. In her column, she pointed out the increase in food prices - five-pound bag of flour-60%; three-pound can of shortening-64%; ten-pound bag of potatoes 60%; bread-34%. The trend is clear, it costs more to exist.

The facts are clear that teachers, along with other employees, are hapless victims of the most grossly mismanaged economy in modern times - and there is no indication on the horizon which offers any hope of relief.

The Union is in support of the concept embodied in H.R. 15842. This bill calls for a modest increase of 13 percent. In essence, this adjustment in the salaries of teachers will enable them to barely keep pace with the eroding economic picture.

The consumer price index for the 1974 fiscal year indicates an increase of 10.8%. Heaven only knows what it will be in September of this year.

The Union supports the concept embodied in H.R. 15842 which would provide a mechanism to adjust teachers' salaries based on the increased cost-of-living and other comparability factors. However, a provision should be added to the bill to make it mandatory. This would put the teachers on equal footing with the rest of the employees in the District of Columbia who receive the automatic adjustment along with Federal Employees.

It has been said time and time again by the City Government that, on balance, the salary schedule for teachers in the District, compares favorably to those of the surrounding jurisdictions and this factor enables us to compete for the best qualified teachers. However, if you will examine Exhibit #1, you will find that over a period of 12 years a teacher in Fairfax County earns \$3,169 more than a teacher in Washington. Further, your attention is called to the fact that while it is true that salaries are favorable, there are other economic benefits which are afforded teachers in the surrounding jurisdictions which put them in a more favorable position. Exhibit #2 demonstrates that in the area of

Senate District of Columbia Committee
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fringe benefits teachers in Fairfax County and in Montgomery County fare better than those in the District of Columbia.

In Exhibit #3 you will note that most of the cities have fewer salary steps than in the District of Columbia. This means that it takes fewer years for teachers to reach their maximum salary level than it does in the District.

Statistics could be compiled to advance or refute any proposition being presented. Statistics, as it has been said on many occasions, only make a picture favorable to those who are presenting them.

At issue at the present time is the question of whether or not teachers should work more time without additional compensation. There has, to my knowledge, been no request to Federal Employees or other District Employees to increase their time for a cost-of-living adjustment in salaries.

It is still amazing that everyone still gives lip service to the importance of the Public School System, but very few are willing to give due recognition - status-wise or financially - to the teachers who are responsible for making the system work. It is also ironic when the trend today is towards a reduction in the work day and week - that the Board of Education and the City Government is trying to extend the working time of teachers. In effect, teachers are being asked to take a salary reduction. Once again, teachers are being made the scapegoat for all of the ills that exist in the American System.

In an article from Today's Child News Magazine for May 1974, Dr. David P. Weikart of East Michigan University, makes the following comments. (Exhibit #4)

"Educators must be accountable, but in a very different way from the one that the current fad demands," Weikart suggested.

"Accountability should be related to the child's long-term performance as an adult in family, community and society. Short-term accountability we can get today by teaching and measuring those things we have test for. But this kind of short-term accountability will never give us the kind of initiating, responsible, innovative,

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July 23, 1974
Page 4

cooperative kids the world so urgently needs."

Lack of planning is one of the weakest spots in elementary and early childhood teaching, the specialist believes, "I'd like to see the school day cut in half so teachers could have at least two hours a day free for planning... preferably in the morning when they are fresh and alert." He stresses that by "planning time" he is not referring to "free time" or coffee breaks. "By planning I mean the hard work of studying each child and making plans that relate to every youngster in the group."

For pupils, less school can mean more learning. Weikart reminds that study findings have shown that elementary school children's achievement levels rise in schools where the school day or week has been shortened to give teachers more time for planning."

Section 205(a) of Title II provides for periodic renewal of a teacher's certification. The Union is in agreement with the concept. However, the Union is opposed to placing this requirement in the bill. Such action would limit the flexibility of this plan and any changes which might be desired would have to be made through the legislative process. The need for continuous retraining on the part of teachers is obvious. However, this can be handled more effectively outside of the legislative arena. This section of the bill should be deleted.

The Union supports Section 206, because it would correct the inequities between degree holding and non-degree holding personnel among the attendance officers and child labor inspectors.

The Union would also, at this time, like to express its support for Title III, which would provide an adjustment in the annuities for retired teachers. This legislation is sorely needed in order that these citizens who are on fixed incomes will be able to keep pace with the current economic conditions.

Senate District of Columbia Committee
July 23, 1974
Page 5

For the benefit of the Committee, the Union has enclosed additional Exhibits:

- | | |
|------------|---|
| Exhibit #5 | Comparison of G.S. increases vs.
Teacher increases |
| Exhibit #6 | Cost-of-living increases
July 1968 - April 1974 |

The Union is gratified that the Committee is moving rapidly on the matter of salary adjustments for teachers, firemen and policemen.

Respectfully submitted,

William H. Simons

William H. Simons
President-Washington Teachers' Union
Local#6,AFT

WHS:sjw
opeiu#2aflcio

Teacher Salary Comparison

	Fairfax County B.A. Teacher	District of Columbia B.A. Teacher
.	\$ 7,900	\$ 8,770
1	8,974	9,120
2	9,429	9,470
3	10,034	9,825
4	10,488	10,175
5	10,942	10,525
6	11,396	10,965
7	11,851	11,410
8	12,305	11,850
9	12,759	12,290
10	13,213	12,730
11	13,667	13,170
12	14,121	13,615
TOTAL	<u>\$147,084</u>	<u>\$143,915</u>

Difference of \$3,169 earned over
12 years by Fairfax teachers.

	MONTGOMERY COUNTY, MD.	FAIRFAX COUNTY, VA.	DISTRICT OF COLUMBIA
Retirement: (Pension)	Social Security plus County and State program 1) Teacher contributes between 4.3 to 5% of salary. 2) Teacher can retire after 30 years of service with full benefits, at 54% of average salary. a. Can retire with reduced annuity and benefits after 25 years of service, or: b. after age 60 with full benefits.	Social Security plus County and State program 1) Teacher contributes 5% of salary to State Plan and 2.9% of salary to County plan. a. Under State Plan - Teacher can retire at age 60 and 30 years service with full benefits at 60% of average salary. b. Under County plan - Teacher can retire at age 55 and 25 years service, with reduced benefits at 50% of average salary.	No Social Security; only D.C. Teachers' Retirement Act 1) Teacher contributes 7% of salary. a. Teacher can retire at age 55 with 30 years service, with full benefits at 56.25% of average salary; or b. at age 60 with at least 20 years of service.
Health Insurance:	Employer pays 55% (1-3 yrs.); Employer pays 65% (4-6 yrs.); Employer pays 75% (7 yrs. and over). Blue Cross-Blue Shield, with Dental Program.	Blue Cross-Blue Shield Family Plan; Employer pays 75%. Individual Plan: Employee pays \$1.50 per month.	Blue Cross-Blue Shield or other programs. Employer pays 50%. Employer will pay 60% effective Jan. 1, 1975.
Life Insurance:	Is two(2) times teacher's salary - all paid by County. If teacher dies for reasons other than of natural causes, the State pays equivalent of a years salary.	Equal to twice the salary, if teacher dies for reasons other than of natural causes, it is four times the salary; Employer pays 60% of premium.	Is salary plus \$2,000.00 with equal amount of accidental death benefit. Employer pays 33 1/3% of premium.
Leaves:	Three(3) days for personal, ten (10) days for sick. Teacher can draw additional sick leave, from "sick day bank."	Three(3) days for personal leave, two(2) days compensatory time for religious observances.	Seven(7) days sick leave, three(3) days for personal leave.

F-x.b.i.T # 2

FRINGE BENEFITS

<p><u>CITY OF ALEXANDRIA, VA.</u> Retirement: Social Security plus State plan and City plan-teacher contributes 5% of salary to State plan and 1% of salary to City plan a) Under State plan - teacher can retire at age 60 and 30 years service at 60% of average salary. b) Under City plan - receives additional annuity to that of state at least 10%. *The greater the service, the higher the annuity.</p>	<p><u>ARLINGTON COUNTY, VA.</u> Social Security plus County and State plan. Teacher contributes 5% to State plan, employer alone contributes to County plan. a) Under State plan - teacher can retire at age 60 and 30 years service at 60% of average salary. b) Under County plan teacher can retire at age 65 and 30 years service with a 77% annuity. *The greater the service time the higher the annuity.</p>	<p><u>PRINCE GEORGES COUNTY, MD.</u> Social Security plus State plan-teacher contributes 5% of salary a) Teacher can retire after 30 years of service at 54% of average salary. b) Can retire at age 60, regardless of years service c) Can retire with reduced annuity after 25 years of service. *The greater the service time the higher the annuity.</p>
<p>Health Insurance: Blue Corss-Blue Shield or Horace Mann. Employer pays 55% (under negotiation now for greater contribution.)</p>	<p>Blue Cross-Blue Shield, Employer pays 85%.</p>	<p>Blue Cross-Blue Shield and Equitable, Employer pays 70%.</p>
<p>Life Insurance: Proposed in negotiation equal to two(2) times teacher's salary. Employer will pay 50%.</p>	<p>Equal to Two(2) times teacher's salary. Employer pays 100% in almost all instances.</p>	<p>Equal to two times teacher's salary--Employer pays 100%. If teacher dies in service it is equal to three times salary.</p>
<p>Leave: Three(3) days personal leave and twelve(12) days sick leave.</p>	<p>Three(3) days personal leave and eleven(11) days sick leave.</p>	<p>Three(3) days for personal and fifteen(15) days for sick leave.</p>

SALARIES

I. From 70 largest Districts -(1.1 million to 47,000)

a. Above D.C. in number of students

1. New York City	- Min. 9,600	-	Max. 15,750	-	7 steps
2. Chicago	- Min. 10,000	-	Max. 16,628	-	14 steps
3. Philadelphia	- Min. 9,434	-	Max. 15,423	-	10 steps
4. Fairfax County	- Min. 7,900	-	Max. 14,121	-	12 steps

b. Washington, D.C. 132,490

Min. 8,770 - Max. 13,615 - 12 steps

c. Below D.C. in number of students

1. Milwaukee	- Min. 8,900	-	Max. 14,229	-	11 steps
2. Boston	- Min. 8,924	-	Max. 15,149	-	8 steps
3. Newark	- Min. 8,970	-	Max. 14,350	-	10 steps
4. Flint	- Min. 9,200	-	Max. 14,743	-	11 steps

II. D.C. Area Schools

a. Maryland

1. Montgomery County	- Min. 8,101	-	Max. 11,017	-	6 steps
2. Prince Georges County	- Min. 8,080	-	Max. 11,150	-	6 steps

b. Virginia

1. Alexandria	- Min. 8,285	-	Max. 14,747	-	14 steps
2. Arlington	- Min. 8,408	-	Max. 12,876	-	9 steps
3. Fairfax County	- Min. 7,900	-	Max. 14,121	-	12 steps

TODAY'S CHILD

NEWS MAGAZINE

VOLUME 22

MAY, 1974

NUMBER 5

Is There One 'Right' Program for Preschoolers?

LOUISVILLE—Be careful what you pray for; you might get it. This familiar caution might be borne in mind by anyone who is gung-ho for one particular program for preschoolers, Dr. David P. Weikart of East Michigan Univ. hinted to members of the Southern Assn. on Children Under Six at their annual meeting.

"Choosing the model for a preschool program is critical because there is increasing evidence, albeit slight and debatable, that the model *does* have immediate impact on the child. It makes a moral difference which model we choose to use."

In the past, the issue of program "models" was not a problem because there were so few to choose from, he pointed out. The majority of U.S. nursery schools were the traditional, or development-oriented, types—"which served well, particularly middle-class youngsters and co-operatives."

Now the many planned variations of Head Start programs, each with a different and specific goal for children, offer teachers and parents an array of alternatives and selecting one is a serious decision, stressed Weikart.

Data coming in from Nat'l Follow Through, which is testing different program models at 167 school sites, show that models designed to teach children specific things do achieve their specific goals—"but that's *all* they achieve. No

(continued on page 6)

(continued from front page)
model does all things for all children all across the board."

Thus programs with the aim of producing academic achievement—Distar, behavioral analysis, or directed-instruction, for example—do get the results desired, while traditional development-oriented programs do not and the effects of cognitive programs are neutral.

Cognitive programs, which aim at developing skills that can be measured by standardized tests, get *their* desired results, while traditional programs get neutral results in this area and the effects of directed-instruction programs are "some-what negative."

When it comes to enhancing a child's over-all development, including emotional growth and the strengthening of self-concept, traditional programs achieve this goal, while directed-instruction programs have "an almost negative effect" and cognitive programs' effect on the affective is neutral.

Why not use the most positive elements in each program and combine them into an "everything" experience for the child? Only a Master Teacher should even think about such an attempt, Weikart cautions. Since only about 5% of all teachers qualify as Master Teachers, "the rest of us 95 percenters" would just be indulging in an ego-trip.

On the subject of accountability, the psychologist wondered "if this is another guise for getting kids to learn what we want them to know—even though there is no evidence that what we want them to know has any bearing on what they do later."

He observed that "data on elementary school grades are very predictive of high school grades which, in turn, are very predictive of college grades, which are predictive of graduate school grades—which don't predict anything."

Educators must be accountable, but in a very different way from the one that the current fad demands, Weikart suggested.

"Accountability should be related to the child's long-term performance as an adult in family, community and society. Short-term accountability we can get today by teaching and measuring those things we have tests for. But this kind of short-term accountability will never give us the kind of initiating, responsive, innovative, cooperative kid; the world so urgently needs."

6... Today's Child, May, 1974

Lack of planning is one of the weakest spots in elementary and early childhood teaching, the specialist believes. "I'd like to see the school day cut in half so teachers could have at least two hours a day free for planning... preferably in the morning when they are fresh and alert."

He stresses that by "planning time" he is not referring to "free time" or coffee breaks. "By planning I mean the hard work of studying each child and making plans that relate to every youngster in the group."

For pupils, less school can mean more learning. Weikart reminds that study findings have shown that elementary school children's achievement levels rise in schools where the school day or week has been shortened to give teachers more time for planning.

Exhibit #5

Civil Service and Teacher Pay
(Increase by percentage)

Date (as of)	Civil Service	Teachers
10/73	5.1% & 4.7% Effective 1/1/73 & 10/1/73	5%
10/72	* 5.5% Effective 1/1/72	7%
10/71	5.9% Effective 1/1/71	0%
10/70	6.0% Effective 12/27/69	0%
10/69	9.1% Effective 7/1/69	12%
	Total percentage increases = 36.3%	*Total percentage increases - 24%

Police and Firemen
had percentage
increases of:

17% effective 5/1/72
9% effective 6/30/70

26% Total percentage increases

*The average percentage increases over the last 5 years
(1968-1973) for the ten top cities has been 28.2%.

EXHIBIT #6

COST OF LIVING INCREASES

Consumer Price Index - Percentage Increase

July 1968	104.5	5.9%
July 1969	110.7	5.4%
July 1970	116.7	4.3%
July 1971	121.8	3.0%
July 1972	125.5	5.7%
July 1973	132.7	10.8%
June 1974	147.1	
July 1968	104.5	40.8%
June 1974	147.1	

The CHAIRMAN. Are there any other representatives of teachers who desire to testify with respect to the matters here before this committee? Are there any persons who want to speak on any of the pay bills? Come forward, give us your name and title.

STATEMENTS OF ROGER C. KING, PRESIDENT; AND CARL W. BEATTY, LEGISLATIVE COMMITTEE CHAIRMAN; POLICEMEN'S ASSOCIATION OF THE DISTRICT OF COLUMBIA

Mr. KING. Mr. Chairman, we are opposed to some sections of the bill that was passed out of the full committee of the House.

SPECIALTY ASSIGNMENTS

One section is in regard to this provision which refers to officers assigned to the helicopter pilots and bomb dispersal unit. It has been added to the bill, that except when such officer or member ceases to be in such assignment, the loss of additional compensation shall not constitute an adverse action for the purpose of section 7511 of title 5 of the United States Code.

This position means that it will not be necessary for the police department to go through a disciplinary proceeding which requires notice and opportunity to respond to such proceedings, when they can transfer an officer out of this position for which he was entitled to receive additional compensation.

The CHAIRMAN. Just give me a hypothetical case. Tell me about officer X: What might happen to him?

Mr. KING. I am a police helicopter pilot. I receive an additional \$2,100 compensation. They do discriminate against me without any trial or proceedings in regard to this section, if they take me from my position and put me into a patrol force. I happen to enjoy my work as a helicopter pilot, and I would like to finish the remainder of my career in that fashion.

The CHAIRMAN. Do I hear you on the morning radio?

Mr. KING. No, sir; we fly the police crime helicopter. There are other sections of the bill which we oppose. There is one provision with regard to dog handlers—that they will be treated in the same manner as all others who receive pay.

This means that the position is not to be included as a technical position, therefore, you have the right to take away the additional compensation the same way as you did under the plain clothes officer.

The CHAIRMAN. Are you saying for these speciality assignments—whether it is a chopper pilot or dog handler—before the chief can transfer an officer, he must currently show a cause for transfer and that under these provisions he will not have to do that?

Mr. KING. Yes, sir.

The CHAIRMAN. He can do it for cause, but he cannot do it capriciously.

Mr. KING. That is correct, sir. Under the Federal personnel manual, which is by the Civil Service Commission, they define rank. They say

in the commissioners' regulations that the term rank means something more than numerical rate or class, or its equivalent in the coordinated Federal language system. It means employees' relative standing in the agency's organizational structure as determined by his official position and assignment. The employees' position and assignment may be changed only by an official personnel action.

The CHAIRMAN. You are assigned to what police department?

Mr. KING. The Metropolitan Police Department.

The CHAIRMAN. We will ask for commentary from the appropriate officialdom with respect to your testimony.

Mr. KING. Mr. Chairman, I have a prepared statement.

The CHAIRMAN. Your prepared statement will be made a part of the record.

Sergeant BEATTY. Mr. Chairman, since we did not realize the meeting was held until 5 p.m. last night, we are unable to give you written testimony, but we will within the next 2 days give you written testimony.

The CHAIRMAN. The record will remain open for 4 days for the inclusion of any other information that you desire to give us.

Sergeant BEATTY. Mr. Chairman, I wish to thank you on behalf of Senators Beall and Mathias for calling this hearing on S. 2829, which was introduced back in December.

We had met with Senators Beall and Mathias several times on this bill. We wholeheartedly support this particular pay bill. We would like in our written testimony to give you some information relative to the activity and the cost of living increases that you are aware of at this point.

COST OF LIVING

I might mention that you did ask the question of the Mayor about the local jurisdictions, and they said that the police departments in this area do provide better pay, that we are in sixth place within the surrounding jurisdictions. After this pay raise that the House has reported out, if this is passed, at 16 percent, it will still leave us in approximately fifth place. So we will move up only one spot. We will show this in our additional testimony, the facts and figures that we will give to you. Although it is unlikely that we would receive retroactive pay, you are well aware that the escalating cost of living has gone up well over 15 to 16 percent. That we will never regain the thousands of dollars we have lost in the last years that we have not had these pay raises. Subsequently, we have had to put our wives to take second jobs, and numerous things to keep our heads above water at this particular time. So we appreciate you looking into these facts and figures when they are submitted.

The CHAIRMAN. Thank you very much.

Sergeant BEATTY. Thank you, Mr. Chairman.

[The prepared statement of Roger C. King, and Carl W. Beatty, with accompanying material, follows:]

**Policemen's Association
of the District of Columbia**
WASHINGTON, D. C.

Phone: Area 202
544-0011

Charter Member International Conference of Police Associations



1241 PENNSYLVANIA AVENUE, S. E.
WASHINGTON, D. C. 20003

JULY 25, 1974

HEARING BEFORE THE SENATE COMMITTEE
ON THE DISTRICT OF COLUMBIA

ON PROPOSED LEGISLATION TO PROVIDE
SALARY INCREASES AND OTHER RELATED
BENEFITS FOR MEMBERS OF THE METRO-
POLITAN POLICE DEPARTMENT, THE
UNITED STATES PARK POLICE, AND THE
EXECUTIVE PROTECTIVE SERVICE.

STATEMENTS OF:

CARL W. BEATTY, LEGISLATIVE
COMMITTEE CHAIRMAN AND OFFICER
ROGER C. KING, PRESIDENT.

1.

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, WE APPRECIATE THIS OPPORTUNITY TO SUBMIT OUR VIEWS TO THE COMMITTEE CONCERNING PROPOSED LEGISLATION TO PROVIDE SALARY INCREASES AND OTHER RELATED BENEFITS FOR MEMBERS OF THE METROPOLITAN POLICE DEPARTMENT, THE UNITED STATES PARK POLICE, AND THE EXECUTIVE PROTECTIVE SERVICE.

I AM A UNIFORMED PATROL SERGEANT ON THE METROPOLITAN POLICE DEPARTMENT ASSIGNED TO THE SEVENTH DISTRICT. I AM ALSO THE CHAIRMAN OF THE LEGISLATIVE COMMITTEE OF THE POLICEMEN'S ASSOCIATION. I WOULD LIKE TO INTRODUCE THE NEW PRESIDENT OF THE POLICEMEN'S ASSOCIATION, ON MY RIGHT, OFFICER ROGER C. KING. OFFICER KING IS A MEMBER OF THE METROPOLITAN POLICE DEPARTMENT; HE IS ASSIGNED TO THE SPECIAL OPERATIONS DIVISION - HELICOPTER BRANCH.

THE METROPOLITAN POLICE DEPARTMENT, AS YOU KNOW, HAS BECOME AN OUTSTANDING CRIME-FIGHTING OPERATION. THE DISTRICT OF COLUMBIA, WHICH PREVIOUSLY HAD ONE OF THE HIGHEST CRIME RATES IN THE NATION, HAS SEEN CRIMINAL ACTIVITY DRASTICALLY REDUCED IN THE PAST SEVERAL YEARS. POLICE OFFICERS ARE ENTITLED TO A GREAT DEAL OF THE CREDIT FOR THAT REDUCTION. YET POLICE OFFICERS IN THE DISTRICT OF COLUMBIA ARE THE LOWEST PAID OFFICERS IN THE ENTIRE METROPOLITAN AREA. WHILE WE ARE DAILY WINNING THE BATTLE AGAINST CRIME, OUR FAMILIES ARE LOSING THE BATTLE OF FINANCIAL SECURITY.

POLICEMEN HAVE RECEIVED NO PAY INCREASE SINCE MAY 1972. IN THAT INTERVAL, OUR SALARIES HAVE FALLEN FAR BEHIND THOSE OF OTHER PUBLIC EMPLOYEES. MOST OTHER FEDERAL AND DISTRICT OF COLUMBIA EMPLOYEES RECEIVED ANNUAL PAY RAISES PURSUANT TO THE FEDERAL PAY

2.

COMPARABILITY ACT. WE ARE GOVERNED BY NO SUCH MECHANISM FOR AUTOMATIC PAY INCREASES. WE ARE REQUIRED TO RETURN HERE EACH TIME OUR PAY FALLS BELOW THAT WHICH IS REQUIRED FOR OUR FAMILIES TO LIVE A DECENT EXISTANCE.

AS PART OF OUR PACKAGE, WE HAVE ATTACHED FOR YOUR INSPECTION A SMALL PAPER BACK BOOK. SIMPLY AND WITH GREAT TENDERNESS, "MY DADDY IS A POLICEMAN" ILLUSTRATES THE THOUGHTS, FEARS, AND CONCERNS OF A POLICE OFFICER'S FAMILY. THANKFULLY, THE EVENTS PORTRAYED THEREIN DO NOT OCCUR EVERY DAY, BUT THAT KIND OF TRAGEDY CAN AND DOES HAPPEN TO POLICE OFFICERS MORE FREQUENTLY THAN WE CARE TO THINK ABOUT. EVERY TIME A POLICE OFFICER LEAVES HOME AND PINS ON HIS BADGE, THERE IS ALWAYS THE UNSPOKEN AND UNANSWERABLE QUESTION: "WILL HE COME BACK AGAIN?"

SINCE MAY, 1972 PRICES, FOOD, AND CLOTHING RATES HAVE SKYROCKETED. THE CONSUMER PRICE INDEX PREPARED BY THE DEPARTMENT OF LABOR SHOWS THAT BETWEEN MAY, 1972 AND JUNE, 1974, THE COST OF LIVING INDEX HAS GONE UP OVER 16.8%. IN RECENT MONTHS, THE RATE OF INCREASE HAS BEEN EVEN MORE DRAMATIC. IN DECEMBER 1973, THE INDEX ROSE .7%, IN JANUARY, 1974 IT ROSE .9%, IN FEBRUARY IT WENT UP 1.3%, IN MARCH, 1974 IT WENT UP 1.1%, AND IN JUNE, 1974, IT WENT UP ANOTHER 1.1%. IN ANNUAL TERMS, THAT TRANSLATES INTO A RATE OF INCREASE OF 14.3% A YEAR.

IN THE DISTRICT OF COLUMBIA, FOOD PRICES ROSE 25% IN 1973 ALONE. SINCE NOVEMBER 1973, ELECTRIC BILLS HAVE GONE UP 10%, AND GASOLINE PRICES HAVE GONE UP OVER 50% SINCE OUR LAST PAY RAISE.

3.

RENTS AND INTEREST RATES HAVE GONE THRU THE CEILING. THE BUYING POWER OF OUR PAYCHECKS HAS SHRUNK DRASTICALLY. GENTLEMEN, WE ARE COLLECTIVELY ON THE VERGE OF BANKRUPTCY.

GENTLEMEN, THE BUREAU OF LABOR STATISTICS AND THE BUREAU OF MANPOWER INFORMATION ASSISTANCE IN THE AUTUMN OF 1972 STATES THAT A FAMILY OF FOUR (FATHER, MOTHER-UNEMPLOYED, AND TWO CHILDREN) REQUIRE A BUDGET OF \$11,738. TO MAINTAIN AN INTERMEDIATE STANDARD OF LIVING. IT IS NOW 24 MONTHS LATER, AND IT IS OBVIOUS THAT THE BUDGETORY NEEDS OF THAT FAMILY OF FOUR HAVE NOT DIMINISHED, BUT HAVE MOST ASSUREDLY INCREASED.

AND THE SITUATION CONTINUES TO DETERIORATE. EVERY MONTH THAT WE GO WITHOUT A COST OF LIVING ADJUSTMENT, OUR FAMILIES SUFFER. OUR REAL INCOME SHRINKS AND WE ARE UNABLE TO DO ANYTHING ABOUT IT. MANY OFFICERS HAVE FOUND THAT THE ONLY WAY TO AVOID FINANCIAL RUIN WAS TO TAKE A SECOND JOB, OR FOR THEIR WIVES TO GO TO WORK.

WHILE OUR PAY HAS STOOD STILL, MOST OTHER FEDERAL AND DISTRICT OF COLUMBIA EMPLOYEES HAVE ENJOYED PAY RAISES ABOUT EVERY 6 MONTHS. UNDER THE PROVISIONS OF THE FEDERAL PAY COMPARABILITY ACT, (5 USC §5301 ET. SEQ.) MOST GOVERNMENT EMPLOYEES ARE ENTITLED TO ANNUAL PAY INCREASES EQUIVALENT TO THOSE RECEIVED BY EMPLOYEES IN THE PRIVATE SECTOR.

WITHIN THE RANKS OF POLICE OFFICERS, BOTH NATIONALLY AND IN THE METROPOLITAN AREA, DISTRICT OF COLUMBIA OFFICERS ARE AT OR NEAR THE BOTTOM OF THE LIST IN PAY. IN CITIES OF POPULATION OVER 500,000, THE DISTRICT OF COLUMBIA RANKS 12TH AFTER CHICAGO, CINCINNATI,

4.

CLEVELAND, DETROIT, HOUSTON, LOS ANGELES, NEW YORK, PHILADELPHIA, SAN DIEGO, SAN FRANCISCO AND SEATTLE. FURTHERMORE, IT TAKES 16 YEARS FOR A DISTRICT OF COLUMBIA POLICE OFFICER TO ACHIEVE HIS MAXIMUM PAY LEVEL, WHEREAS THE AVERAGE LENGTH OF TIME TO REACH MAXIMUM STEP IN THE ABOVE MENTIONED DEPARTMENTS IS ONLY ABOUT THREE YEARS. FOR THAT REASON, WE BELIEVE THAT OUR STEP INCREASES ARE TOO FAR APART AND NEED TO BE ADJUSTED SO THAT OFFICERS REACH THEIR MAXIMUM PAY WITHIN A REASONABLE PERIOD OF TIME.

AMONG LOCAL JURISDICTIONS, THE DISTRICT OF COLUMBIA IS THE SECOND LOWEST PAID DEPARTMENT. MANY DISTRICT OF COLUMBIA OFFICERS HAVE QUIT THEIR JOBS IN THIS CITY TO ACCEPT HIGHER PAYING AND LOWER RISK JOBS IN THE SUBURBS. IN 1973, 338 OFFICERS VOLUNTARILY RESIGNED FROM DISTRICT OF COLUMBIA POLICE DEPARTMENTS AND AS OF JULY 15, 1974 THIS YEAR ALMOST 200 HAVE RESIGNED. MANY OF THEM TOOK JOBS WITH OTHER POLICE DEPARTMENTS. PRINCE GEORGE'S COUNTY IS ACTIVELY RECRUITING D. C. POLICE, AND IT IS GETTING THEM. THEY NOW HAVE INSTITUTED A LATERAL TRANSFER SYSTEM AND IF WE CONTINUE TO GO WITHOUT A PAY RAISE WE WILL LOSE MANY MORE OF OUR EXPERIENCED OFFICERS.

FOR THE ABOVE REASONS, DISTRICT OF COLUMBIA POLICE NEED A SUBSTANTIAL PAY RAISE AND THEY NEED IT NOW. THE 15% INCREASE PROPOSED IN S.2829, INTRODUCED BY SENATOR J. GLENN BEALL AND CO-SPONSORED BY SENATOR CHARLES McC. MATHIAS, WHILE BEING MOST GENEROUS, WILL NOT PUT US EVEN WITH THE RAPIDLY RISING COST OF LIVING INDEX. FOR THAT REASON, IT IS ESSENTIAL THAT OUR PAY BE

5.

TIED TO THE CONSUMER PRICE INDEX SO THAT WE DO NOT HAVE TO PLAY "CATCH-UP" EVERY TWO YEARS. AND IN ORDER TO FAIRLY REIMBURSE US FOR THE DECLINE IN OUR REAL INCOME SINCE 1972, WE ARE REQUESTING THAT THE PROVISIONS OF THIS PAY BILL BE MADE RETROACTIVE. WE SUBMIT THAT THE FAIREST MEANS OF PROVIDING SUCH RETROACTIVE PAY WOULD BE A SLIDING SCALE CORRESPONDING TO THE COST OF LIVING INDEX FOR THESE PAST TWO YEARS.

SUCH A SLIDING SCALE IS EASILY CALCULATED. WHATEVER THE COST OF LIVING INCREASE WAS FOR THE YEAR 1973 WOULD BE THE PERCENTAGE OF RETROACTIVE PAY BACK TO JANUARY 1973. WHAT THE COST OF LIVING INCREASE WILL BE FOR JANUARY 1974 WOULD BE THE PERCENTAGE OF RETROACTIVE PAY BACK TO JANUARY 1974. I POINT OUT TO YOU THAT EVEN THOUGH OUR LAST PAY RAISE WAS EFFECTIVE MAY 1972, WE DO NOT ASK FOR RETROACTIVITY BACK TO THAT DATE. INSTEAD, TO BE AS FAIR AS POSSIBLE, WE ASK FOR THE TWO-STEP RETROACTIVE PAY TO JANUARY 1973 AND JANUARY 1974.

WE ALSO ARE REQUESTING THAT D. C. POLICE OFFICERS RECEIVE EXTRA PAY FOR THEIR COLLEGE COURSES IN POLICE SCIENCE AND ADMINISTRATION. I AM SURE YOU ARE AWARE OF THE GREAT OUTCRY ACROSS THIS NATION IN RECENT YEARS THAT POLICE OFFICERS ARE POORLY EDUCATED AND POORLY TRAINED. OUR CITY, THEREFORE, OUGHT TO BE WILLING TO PAY A POLICE OFFICER A REASONABLE INCREMENT TO HIS REGULAR SALARY FOR THE COLLEGE TRAINING HE ACHIEVED ON HIS OWN TIME. THIS TRAINING NOT ONLY MAKES FOR BETTER POLICE OFFICERS, BUT THE AVAILABILITY OF "EDUCATION PAY" WILL WORK AS A SPECIAL INCENTIVE TO POLICE OFFICERS TO GET A COLLEGE DEGREE. IT WILL ALSO ATTRACT COLLEGE

6.

GRADUATES TO THE VARIOUS DISTRICT OF COLUMBIA POLICE DEPARTMENTS.

FINALLY, THE DISTRICT OF COLUMBIA POLICE ASSOCIATION REQUESTS THAT POLICE OFFICERS BE PAID A 10% INCREMENT TO THEIR REGULAR PAY FOR THE TIMES THEY WORK BETWEEN 4:00 P.M. AND 8:00 A.M. DAYTIME AND REGULAR EMPLOYMENT AMONG MOST PEOPLE ARE NOT CONSIDERED TO BE LUXURIES. IT IS GENERALLY TAKEN FOR GRANTED THAT ONE WILL BE HOME FOR DINNER WITH HIS FAMILY; THAT ONE WILL BE ABLE TO SLEEP WHILE IT IS DARK OUTSIDE AND WORK DURING THE DAY; AND THAT ONE WILL HAVE THE SAME DAYS OF THE WEEK OFF AS THE OTHER MEMBERS OF ONE'S FAMILY. THESE THINGS ARE NOT USUALLY CONSIDERED TO BE LUXURIES. THEY ARE CONSIDERED THE NORMAL WAY THINGS ARE DONE. TO POLICE OFFICERS AND THEIR FAMILIES, HOWEVER, THESE CONSIDERATIONS ARE NOT NORMAL. WORKING ON SATURDAY AND SUNDAY AND BEING OFF ON TUESDAY AND WEDNESDAY IS NORMAL. MIDNIGHT TO EIGHT A.M. IS JUST AS FREQUENTLY ONE'S TOUR OF DUTY AS IS 8:00 A.M. TO 4:00 P.M. SLEEPING, OR TRYING TO SLEEP DURING THE DAY, WHILE CHILDREN ARE PLAYING OUTSIDE IS NORMAL FOR POLICE OFFICERS. HAVING ONE'S DAY OFF CHANGED BECAUSE OF A DEMONSTRATION OR A RISE IN CRIMINAL ACTIVITY IS NORMAL FOR POLICE OFFICERS. POLICING A PARADE AND OTHER CIVIC AND SPORTING EVENTS---NOT ATTENDING WITH ONE'S FAMILY---IS NORMAL FOR POLICE OFFICERS. WE BELIEVE THAT POLICE OFFICERS OUGHT TO BE PAID EXTRA COMPENSATION FOR THE TIMES THEY WORK "INCONVENIENT" TOURS OF DUTY.

NEW YORK CITY, BOSTON, DETROIT, FAIRFAX COUNTY AND ROCKVILLE POLICE DEPARTMENTS ARE A FEW OF THE CITIES THAT RECEIVE SUCH A NIGHT DIFFERENTIAL, AS DO EMPLOYEES OF THE CITY POSTAL SERVICE AND D. C. CIVIL SERVICE EMPLOYEES.

7.

GENTLEMEN, WE AS POLICE OFFICERS ASK FOR ONLY WHAT IS FAIR FOR OUR FAMILIES. WE ASK FOR A DECENT SALARY, THE ABILITY TO PROVIDE ADEQUATELY FOR OUR FAMILIES AND THE KNOWLEDGE THAT IN THE EVENT OF ILLNESS OR INJURY, OUR FAMILY WILL NOT SUFFER FINANCIALLY.

IN RETURN WE OFFER OUR STRENGTH, KNOWLEDGE, DEDICATION AND IF NECESSARY, OUR LIVES.

THANK YOU, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE FOR ALLOWING OUR ASSOCIATION TO APPEAR BEFORE YOUR COMMITTEE. THIS CONCLUDES OUR PREPARED REMARKS ON S. 2829.

MINIMUM AND MAXIMUM SALARIES PAID POLICE
 PRIVATES BY CITIES OVER 500,000 POPULATION

	MINIMUM	MAXIMUM	STEPS	YEARS
CHICAGO	\$10,524	\$14,824	5	3 1/2
CINCINNATI	10,183	11,415	3	3
CLEVELAND	11,387	12,387	3	3
DETROIT	10,300	13,500	4	4
HOUSTON	11,140	12,096	4	3
LOS ANGELES	11,256	13,992	5	1 1/2
NEW YORK	12,849	14,300	4	3
PHILADELPHIA	11,447	12,022	5	2
SAN DIEGO	11,244	13,672	5	3
SAN FRANCISCO	13,680	14,280	4	4
SEATTLE	10,512	13,032	4	3 1/2
WASHINGTON, D.C.	10,000	14,400	8	16

LOCAL JURISDICTIONS

ALEXANDRIA	\$10,081	\$12,254	5	5
ARLINGTON	10,605	13,536	6	6
FAIRFAX	9,989	14,759	8	16
MONTGOMERY COUNTY	10,104	13,509	6	6
PRINCE GEORGE'S COUNTY	10,275	13,749	6	6
WASHINGTON, D.C.	10,000	14,400	8	16

NUMBER OF POLICEMEN APPOINTED

FISCAL YEAR:

1972.....	771
1973.....	331

CALENDAR YEAR:

1972.....	520
1973.....	476

NUMBER OF POLICEMEN RESIGNED *

FISCAL YEAR:

1972.....	482
1973.....	338

CALENDAR YEAR:

1972.....	400
1973.....	320

AVERAGE NUMBER OF YEARS EXPERIENCE AT THE TIME OF RESIGNATION -
3 YEARS. (SALARY OF A POLICEMAN WITH 3 YEARS EXPERIENCE IS \$11,300.)

* THESE FIGURES DO NOT REFLECT INVOLUNTARY SEPARATION.

*** FROM JANUARY 1, THRU JULY 15, 1974, ESTIMATED THAT OVER 200
POLICE OFFICERS HAVE RESIGNED.

FEDERAL GOVERNMENT COST-OF-LIVING INCREASES

JANUARY 1, 1973.....	5.1%	RETROACTIVE TO OCTOBER 1972
OCTOBER 1, 1973.....	4.8%	
OCTOBER 1, 1974.....	EXPECTED (AS OF MARCH 1974 COST OF LIVING UP 5.7%)	

PRINCE GEORGE'S COUNTY POLICE

Proposed cost of living raise of either 7% or, 5% with other added benefits. Effective date July 1, 1974.

MONTGOMERY COUNTY POLICE

Proposed cost of living increase of 7%, effective July 1, 1974.

FAIRFAX COUNTY POLICE

9.75% cost of living raise, along with other added benefits to become effective July 1, 1974.

ALEXANDRIA POLICE

They are presently negotiating for a cost of living raise with an effective date of July 1, 1974.

Arlington Police Beneficiary Association, Inc.

ARLINGTON POLICE DEPARTMENT



ARLINGTON, VIRGINIA 22201

May 7, 1974

The following is a statement of the improvements in wages and fringe benefits sought by this Association on behalf of the Police Officers of Arlington County.

WAGES

18% Pay Raise or a combination of raise and upgrading of positions to equal that percentum.

HOURS OF WORK

- a. Reduce the middle shift for Patrol Officers, currently 1500 hours to 0100 hours, to a 9 hour shift with the hours running 1500 hours to 2400 hours.
- b. Retain the Four-Day-Work-Week in Communications.

OVERTIME

As used in this memorandum, overtime shall mean that time an employee is authorized to work in excess of 8 hours in one day, on the basis of a five day week, or 9 hours in one day on the basis of the four day week.

- a. All overtime shall be payed at the rate of time and one-half the regular rate of pay.
- b. Overtime shall be computed to the nearest half hour.
- c. Employees called back to service or who makes court appearances shall receive a call-back minimum of two hours overtime.
- d. Emergency Standby. When a pending emergency situation dictates that sworn police personnel be placed on a standby status for immediate availability, subject to call to active duty, such personnel shall be paid at the rate of 25% of the officer's regular rate of pay while on such standby status. This basis of pay rate will continue to the time that the officer is placed on an on-duty status, or discontinued when that officer is relieved from such standby status. This section shall also apply to those persennel within the department who are placed on-call in their respective divisions on a regular schedule. (CID, Captains, etc.)

(2)

POSITIONS

- a. Upgrade Police Agent to Grade 15-16.
 - b. Upgrade District Supervisor to Grade 18.
 - c. Upgrade Sergeant to Grade 20.
 - d. Upgrade Lieutenant to Grade 22.
 - e. Upgrade Captain to Grade 25.
 - f. Establish a Grade 15 "Supergrade" for qualified, effective patrolmen.
 - g. Establish a Grade 16 "Supergrade" for qualified, effective investigators.
- (see attached pay schedule)

LEAVE

- a. Increase compensatory leave maximum carry-over to 160 hours.
- b. Increase annual leave maximum to 10 hours per pay period.
- c. Increase sick leave maximum to 6 hours per pay period.
- d. Police Officers to be paid for excess vacation and/or compensatory leave over and above the carry-over limit. This payment to be made at the end of each calendar year.
- e. Captains level be permitted to earn compensatory leave up to the limitation on the carryover balance. (160 hours)

LEAVES OF ABSENCE ON ASSOCIATION BUSINESS

- a. Leaves of absence with pay and benefits will be granted for no more than three Association members to attend and serve as delegates at conventions and organization conferences relating to Association activities provided that such leaves will not exceed in the aggregate 10 working days during the term of this agreement.
- b. The members of the Association Negotiating Committee who are scheduled to work a tour of duty during collective bargaining negotiations shall be granted time off without loss of pay or benefits for all meetings between the county, its agents or representatives and the Association for the purpose of negotiating the terms of this agreement or any supplements thereto.

HOSPITALIZATION AND MEDICAL BENEFITS

- a. The County will pay the entire cost of the group hospitalization policy now in effect. (Blue Cross/Blue Shield)
- b. The County will establish a Dental insurance plan for officers with all costs being born by the county.

RETIREMENT

- a. The County will establish a 20 year retirement at 60% of the top three years service with no age requirement.
The County will establish a 25 year retirement at 70% of the top

(5)

three years service with no age requirement.

- b. The County will allow those personnel interested, to "buy back" prior military service time, @ the rate that was payed when they entered County service.
- c. Adopt an annual, actual cost of living raise, for retired members or one-half the pay raise negotiated by the Association, whichever is greater.
- d. Allow payroll deduction of Federal & State Taxes from retirement checks. (Optional)
- e. Re-employment rights with the County in a civilian capacity, (exclusive of those on disability retirement) for retired employees with said employee not paying into the supplemental retirement system.
- f. Revision of Section 21-52 of the retirement ordinance. "Joint and Survivorship Options".
- g. Revision of Section 21-54 of the retirement ordinance. "Spouse retirement allowance" (Reduction in age and length of service).

UNIFORMS

- a. Wearing of the Police Uniform hat to be made optional for daily tours of duty.
- b. Adopt a short sleeve shirt without tie for the summer uniform.

MEET AND CONFER

- a. The County agrees to meet and confer with representatives of the Association before changing any existing conditions relating to wages, hours or conditions of employment.

GRADE 13

GRADE	PACKET	ENTER	10,605.00	11,136.32	11,693.76	12,278.24	12,891.84	13,536.64
13			10,605.92	11,136.32	11,693.76	12,278.24	12,891.84	13,536.64
14	C	SR. PAY. 1/2	11,136.32	11,693.76	12,278.24	12,891.84	13,536.64	14,212.64
15	D	P-3	11,693.76	12,278.24	12,891.84	13,536.64	14,212.64	14,924.00
16	E	K-4	12,278.24	12,891.84	13,536.64	14,212.64	14,924.00	15,667.72
17		SR. PAY.	12,891.84	13,536.64	14,212.64	14,924.00	15,667.72	16,454.88
18		D. S.	13,536.64	14,212.64	14,924.00	15,667.72	16,454.88	17,278.56
19			14,212.64	14,924.00	15,667.72	16,454.88	17,278.56	18,141.76
20		S-67	14,924.00	15,667.72	16,454.88	17,278.56	18,141.76	19,048.64
21			15,667.72	16,454.88	17,278.56	18,141.76	19,048.64	20,001.28
22		L-7	15,179.84	16,735.68	17,571.84	18,449.60	19,373.12	20,342.40
23			15,939.04	16,735.68	17,571.84	18,449.60	19,373.12	20,342.40
24			16,735.68	17,571.84	18,449.60	19,373.12	20,342.40	21,359.52
25		CAPT.	17,571.84	18,449.60	19,373.12	20,342.40	21,359.52	22,426.56
26			18,449.60	19,373.12	20,342.40	21,359.52	22,426.56	23,547.68
27			19,373.12	20,342.40	21,359.52	22,426.56	23,547.68	24,724.96
28			20,342.40	21,359.52	22,426.56	23,547.68	24,724.96	25,960.48
29			21,359.52	22,426.56	23,547.68	24,724.96	25,960.48	27,258.40
30			22,426.56	23,547.68	24,724.96	25,960.48	27,258.40	30,051.84

Find your pay level on the above new scale, and add the following educational premium to the above figure

- 75 hrs. add \$200.00
- 90 hrs. add \$400.00
- 105 hrs. add \$600.00
- 120 hrs. add \$800.00
- BA add \$1,000.00
- MA add \$1,400.00

6/6/74

Gas Bills to Rise In Md. Suburbs

About 218,000 Maryland customers of the Washington Gas Light Co. will be paying 10.3 percent more on their gas bills this summer under a special surcharge granted the firm yesterday by the Maryland Public Service Commission.

THE RATE increase came a day after the Virginia State Corporation Commission gave WGL permission to put a 6.6 percent surcharge on the firm's 160,000 Northern Virginia customers.

Robert L. Sullivan Jr., chairman of the Maryland commission, said the surcharge increase was granted WGL because the firm "is in a severe financial and earnings posture and is in need of rate relief if it is to be able to obtain financing for its essential construction and maintenance program."

Sullivan said most of WGL's problems are due to the inflation which has hit all American businesses and sharply criticized the nation's economic policy makers for not taking action.

"It is this lack of national economic leadership that has caused problems in the utility industry," Sullivan said. "Until the unprecedented rise in costs is slowed down, all forms of energy will continue to increase in cost."

The gas company also has asked for a boost in its rates for its 160,000 customers in the District, but the District of Columbia Public Service Commission has yet to act on the request.

THE SURCHARGES granted by the Virginia panel and the Maryland commission are only temporary pending hearings on permanent rate increases requested by the firm in Maryland, Virginia and the District.

The surcharge for Virginians is to take effect June 14 and although the PSC did not set an effective date for the surcharge in Maryland, it is expected to go into effect about the same time.

Because of the nationwide natural gas shortage, WGL has said, it cannot increase the number of its customers in the area.

WASHINGTON, D. C., FRIDAY, APRIL 19, 1974

Retail Prices Continue to Soar

One-Year Rise: 10.2%

By Lee M. Cohn
Star-News Staff Writer

Soaring inflation continued last month, with retail prices rising 1.1 percent, the Labor Department reported today.

The increase was slightly less than the February rise of 1.3 percent, but still was the third biggest price jump for any month since early 1951, during the Korean War.

Retail prices soared 10.2 percent from March 1973 to last month, the sharpest rise for any 12-month period since 1948.

Inflation appears to be accelerating. The retail price rise over the latest three months was at a seasonally adjusted annual rate of 14.5 percent, the sharpest increase for any three months since 1951.

Gasoline and food prices each

accounted for about one-fourth of the overall rise in the consumer price index, but prices rose sharply for a wide variety of other goods and services, too.

Food prices rose 0.8 percent from February to March, substantially less than in the two preceding months, but still much more than was considered

See PRICES, A-6

Continued from Page A-1
normal before the current inflation spiral erupted.

PRICES of goods other than food rose 1.5 percent last month, a significantly faster pace than last year or the beginning of this year.

Prices of services increased 0.8 percent, slightly more than the recent pattern.

In another report, the department measured the big bite inflation is taking out of purchasing power.

After-tax take-home weekly pay for the average worker with three dependents — adjusted for the cost of living and for seasonal factors — declined 0.9 percent from February to March. The drop from March 1973, 4.7 percent, was the biggest since the government started computing these statistics in 1964.

These figures on "real spendable earnings" show that increases in pay are falling behind rises in the cost of living.

The total consumer price index rose 1.1 percent last month, both in absolute terms and after adjustment to discount seasonal influences.

This works out to a seasonally adjusted annual rate of 13.2 percent. That is, if prices continued rising 1.1 percent a month, the index would increase 13.2 percent over the next year.

tion has predicted that price increases will fall back to about a 5 percent annual rate later this year, but many independent economists doubt that inflation will subside to that extent.

The March rise lifted the consumer price index to 143.1, meaning that it cost \$143.10 last month to buy a typical variety of goods and services at retail, compared with the cost of \$100 in 1967, the base period.

Prices of food purchased in grocery stores for home consumption rose 0.9 percent seasonally adjusted and 1 percent unadjusted between February and March. These prices last month were 19.7 percent higher than a year earlier.

Beef prices declined, following a big rise in February, and there also were price decreases for pork, poultry, eggs and fresh fruit. Prices rose for fresh vegetables, processed fruits and vegetables, cereal and bakery products and dairy products.

The administration is counting on big crops to hold down food prices and thus to slow the inflation spiral later this year, but other prices are accelerating.

THE 1.5 PERCENT rise last month in prices of goods other than food, both seasonally adjusted and unadjusted, represented a sharp step up from earlier months.

The index of gasoline and motor oil prices rose 7 percent unadjusted and 6.4 percent seasonally adjusted, to a level 39.3 percent above a year earlier.

Fuel oil and coal prices declined 0.1 percent seasonally adjusted and 0.2 percent unadjusted last month, but still were 57.7 percent higher than in March 1973.

Prices also rose rapidly for clothing and a wide variety of other goods.

IN A SEPARATE report on gasoline prices, the department said prices rose 7.4 percent on average between February and March.

The average price of regular grade gasoline increased 7.5 percent to 52.8 cents a gallon, which brought the increase since the Arab oil embargo was imposed in October to 31.1 percent. Premium gasoline prices rose 7.1 percent to 56.4 cents a gallon. The rise since October has been 28.3 percent.

Electric Bills Rise 10 Pct.

By Lawrence Feinberg
Washington Post Staff Writer

Average electric bills in Washington and the Maryland suburbs have risen by 10 per cent since November because of the sharply higher cost of oil and coal used to generate electricity.

In Virginia, over the same three months, electric bills have risen 4 per cent for the same reason, as power companies automatically pass on their own higher fuel costs to consumers.

The automatic cost increases, listed on monthly bills as "fuel adjustments," must be paid by customers—both residential and commercial—in regular utility rates the power companies have been granted recently.

An future increases in the price of fuel for electric generators also will be passed on to consumers in the three jurisdictions.

In Washington, the increase for higher fuel costs has amounted to \$1.43 since November for an average residential customer, according to the Potomac Electric Power Co. (Pepeco). This includes a 74 cent rise on this month's bills over those paid in January. Pepeco has 182,000 residential customers in Washington. Commercial users also pay proportionally higher bills.

In Montgomery and Prince George's counties, where Pepeco has 233,000 residential customers, average monthly bills have risen by \$2.68 since November, including a \$1.38 rise on this month's bills.

The company said its Maryland customers use an average

See **RATES, A5, Col. 1**

Electric Bills Rise 10 Pct.

RATES, From A1

of 920 kilowatt hours of electricity a month almost double the 490 kilowatt hour average of its Washington customers, whose homes, generally are smaller, older, and have fewer appliances.

Because of higher fuel costs, the average bill sent to Pepeco's Maryland residential customers last week was \$28.83, compared to \$26.15 for the bills sent in November.

The monthly bills sent to the 821,000 residential customers of the Virginia Electric & Power Co. (Vepeco) have gone up an average of 75 cents since November, a company spokesman said, including 82 cents from bills paid in January to those paid in February.

A spokesman for Vepeco said the heavy residual oil used in the company's generators cost \$7.89 a barrel last month, compared to \$4.44 in November, and only \$2.94 a barrel in January 1973. He said the price of one ton of coal went up from \$16.73 in January, 1973, to \$18.01 in November to \$27.40 last month.

Pepeco reported that, while it did not have per barrel and per ton costs, the price of the coal it buys went up 69 per cent in the past year. The cost of its fuel oil, the company said, has risen by 212 per cent, with most of the increase occurring since November, when world oil prices skyrocketed.

Most of the oil for both power companies come from Venezuela.

"The fuel prices are something over which we have no control," said Frank S. Walters, a vice president of Pepeco, "and the increases have been startling. It's something that concerns us very much."

The price increases have been somewhat less for Vepeco customers, company president T. Justin Moore said, primarily because of the company's nuclear power plant.

In 1973, the plant at Surry, Va., near Jamestown, produced about 21 per cent of Vepeco's output, and its share is expected to rise this year to 23 per cent, Moore said. He said there have been no increases in the cost of nuclear fuel which is purchased under a long-term contract.

Pepeco's output was produced by oil-fired generators, about 3 per cent by water power, and about 25 per cent by coal. About 5 per cent was purchased from other power companies.

Pepeco, on the other hand, has no nuclear or hydroelectric plants. Last year about 57 per cent of its output was from coal and 43 per cent from oil. The company now is trying to convert more of its generators to coal, but is having difficulty obtaining supplies.

The fuel adjustment clauses have been in both companies rate schedules for several years, and have no effect on profits. They can produce decreases in customer bills when fuel costs fall as well as increases when they rise. But until recently the impact of the fuel adjustment had been slight.

Last May, for example, the fuel adjustment for Pepeco customers was 0.00756 cents, which meant that amount—about 7/1,000th of a cent—was added to the cost of each kilowatt hour a customer used.

By January, however, the fuel adjustment had risen to 0.29838 cents, and this month it climbed to 0.3488 cents—more than 3/10ths of a cent per kilowatt hour.

Thus, for the average Pepeco consumer in Maryland the fuel adjustment went up from 6 cents on the May bill, to \$2.63 in January, to \$3.21 this month.

In addition, the basic rate for Pepeco's Maryland residential customers went up by 10 per cent in November, reflecting higher costs for labor, supplies, and interest charges, the company said, but not for generator fuel.

In Washington, the company was granted an average 10.4 per cent increase in December for its large residential customers, using more than 400 kilowatt hours a month.

Pepeco put into effect a 4.8 per cent basic rate increase for all its customers on Jan. 23.

Bills for natural gas, which also are subject to automatic cost increases, rose this month by 2.1 per cent, the Washington Gas Light Co. reported, after dropping slightly between November and January.

For example, the bill of an average residential gas heating customer in Washington went up by 43 cents this month, compared to January, to \$20.88 after dropping 7 cents during the previous two months. A spokesman for Washington Gas said the fluctuations are caused by changes in the price of the gas which the company buys from pipeline firms that supply it.

Washington Gas has about 640,000 customers in Washington, and the Maryland and Virginia suburbs.

SUNDAY, FEBRUARY 17, 1974

1-Cent Raise Set for Some Gas Stations

By Paul Hodge
Washington Post Staff Writer

The Federal Energy Office authorized yesterday half of the nation's gas stations to raise gasoline prices 1 cent a gallon, beginning March 1.

The rise is designed to compensate the dealers for lower profits caused by reduced gas sales.

The rise is the second cent-a-gallon increase approved

by FEO in little over a month to help service station dealers. It was immediately criticized yesterday by gas station associations as too little and by one major oil company, Gulf, as "inequitable, although well-intentioned," because only half of the country's 216,000 gas station dealers will benefit.

The price increase is expected to cost motorists an additional \$500 million a year, since a penny increase for all stations is estimated at \$1 billion a year.

The extra penny allowed by FEO yesterday will come in addition to any monthly price increases levied by the oil companies as a result of higher costs.

The stations permitted to impose the additional cent a gallon are those that are receiving less than 85 per cent of the gas they received two years ago. Since the stations of several major companies—including Gulf, Sunoco and Mobil—have been receiving slightly above 85 percent, they will not share in the increase.

Gas station owners in several states said the cent increase is not going to change their plans to shut down or "pump out"—sell their February allotments of gasoline quickly and close down for the rest of the month—in protest over reduced profits and recent FEO regulations.

The protest closings are relatively isolated, occurring in sections of Pennsylvania, Florida, Massachusetts, Oregon, Washington and to a lesser extent in Virginia's gasoline-starved area around Norfolk, Portsmouth, Virginia Beach and Chesapeake. The Tidewater section is one of the fastest-growing areas of Virginia and many gas station closings there this week have been because dealers are simply out of gas.

Virginia energy officials reported yesterday they have now received telegrams from most oil companies with stations in the Tidewater area stating additional supplies of gasoline are now being allo-

Gasoline Prices Due For One-Cent Rise

GASOLINE, From A1
cated there. (Oil companies are permitted to increase petroleum supplies by 5 per cent, without FEO approval, to areas with significant shortages.)

Gasoline was almost impossible to get in the Tidewater section yesterday, with 80 to 90 per cent of all gas stations closed and mile-long lines outside the few that were open.

It was also hard to come by in the Washington area, where lines outside gas stations were reported by police to be much longer than normal, and tempers much shorter. Fists fights were reported in numerous gas stations and one Fairfax County man was arrested, charged with blocking traffic.

The one-cent increase in a gas station dealer's profit margin — which now averages 8 to 9 cents a gallon, according to the FEO — will still be insufficient to keep many dealers in business, said Charles Binsted, executive secretary of the National Congress of Petroleum Retailers. Binsted's group represents 70,000 major brand stations across the country.

He and other association leaders around the country called the increase "too little and too late." Dealers want a sliding scale, guaranteeing them an increasing profit margin as they sell less gasoline. "Some dealers want a minimum 25 per cent profit margin," Binsted said.

"As for the penny increase, you're going to have a bunch of dealers howling . . . Gulf, Sunoco, Mobil dealers. It's just not a fair way to do it. If one guy's company is supplying him with 16 per cent less than he got in 1972 he gets the penny increase. If his company is giving him 14 per cent less he doesn't get it."

Victor Rasheed, executive director of the Greater Washington-Maryland Service Station Association, which represents most local gas stations, called the FEO increase "just plain discriminatory . . . and just not enough. The oil companies are raising prices 3 to 5 cents a gallon every month and making record profits while their gas station dealers are going out of business at the rate of 1,000 a month . . . of course we need the penny increase, but it's not enough."

Z. D. Bonner, president of Gulf Oil U.S., said the FEO in-

crease is "an idea poorly conceived and inequitable, although we recognize that it is well-intended. We believe that our dealers should get a 1/2 cent increase in their margin not only to make up for reduced volumes they've been selling but also to compensate them for the difficulty they're having in following the various procedures."

Gulf's 24,000 stations across the country would be ineligible for the increase as announced because Gulf is giving them 90 per cent of what they got in February, 1972.

In announcing the increase at a press conference, Deputy FEO Administrator John C. Sawhill said the cut-off line for the penny profit was 85 per cent because dealers having higher volumes of gasoline didn't need it as much.

Under the new rule, the increase would be maintained month-to-month only if a given dealer's allocation of gasoline remained at 15 per cent below the 1972 "adjusted base period volume."

Under FEO regulations dealers can apply for additional supplies of gasoline if they have had greater than a 10 per cent increase in sales in a one-year period since 1972. Thus, while Exxon dealers are now getting 78 per cent of their February, 1972, allotments, many are actually getting well over 80 per cent because they have had unusual growth. Most Washington-area stations have had such growth, and are eligible for such minor increases, according to dealers associations.

In other gasoline-related actions yesterday:

• District of Columbia Civil Defense Director George Rodericks hailed as a "great success" the first week of the city's voluntary alternate-day gasoline purchasing program, which is dependent upon the cooperation of both motorists and gas-station dealers to succeed.

• The Federal Energy Office here has been swamped by calls this weekend from motorists wishing to complain about violations of FEO rules. The Internal Revenue Service, FEO's enforcement arm, is the place for motorists to complain to but its complaint number—337-0475—is closed on weekends and holidays.

**Policemen's Association
of the District of Columbia**
WASHINGTON, D. C.

Phone: Area 202
544-0011

Charter Member International Conference of Police Associations



ATTACHMENT "A"

1241 PENNSYLVANIA AVENUE, S. E.
WASHINGTON, D. C. 20003

PRESS RELEASE - JUNE 19, 1974

SERGEANT CARL W. BEATTY, CHAIRMAN OF THE LEGISLATIVE COMMITTEE OF THE POLICEMEN'S ASSOCIATION OF THE DISTRICT OF COLUMBIA, WHICH REPRESENTS MORE THAN 4,500 MEMBERS OF THE METROPOLITAN POLICE DEPARTMENT, UNITED STATES PARK POLICE AND EXECUTIVE PROTECTIVE SERVICE, MAKES THE FOLLOWING STATEMENT:

THE APPROVAL BY THE HOUSE DISTRICT SUBCOMMITTEE OF A PAY INCREASE FOR DISTRICT OF COLUMBIA POLICE OFFICERS DOES NOT PROPERLY REFLECT THE NEEDS OF THE AVERAGE OFFICER. ALTHOUGH THE SIXTEEN PER CENT INCREASE IS LONG OVERDUE, THIS RAISE ONLY CATCHES US UP TO THE POINT WE SHOULD HAVE BEEN TWO AND ONE HALF YEARS AGO. THE BILL CONTAINS NO PROVISION FOR RETROACTIVE PAY. THE BILL IS SATISFACTORY FOR THE HIGHER OFFICIALS OF THE DEPARTMENT, BUT DOES NOT HELP THE MAN ON THE BEAT, THE OFFICER WHO HAS HAD TO WORK AT A SECOND JOB, DEplete HIS FAMILY SAVINGS OR PUT HIS WIFE TO WORK, BECAUSE HIS PAY HAS BEEN INADEQUATE AND SUBSTANDARD. SUCH A SITUATION IS NOT CONDUCIVE TO BUILDING AND MAINTAINING A PROFESSIONAL POLICE FORCE, WHICH THIS CITY MUST HAVE. IN FACT,

2.

THE PROPOSED SIXTEEN PER CENT INCREASE WILL STILL LEAVE US BEHIND THREE AREA JURISDICTIONS IN THE RATE OF PAY FOR STARTING OFFICERS.

THE DISTRICT OF COLUMBIA GOVERNMENT HAS COMPLETELY LET DOWN ITS POLICE OFFICERS. FIRST, ITS PROPOSED TEN PER CENT INCREASE WAS TOTALLY INADEQUATE AND REVEALS A LACK OF GOOD FAITH WITH ITS MEN. SECONDLY, IT HAS CONTINUALLY REFUSED TO SUPPORT THE MEN IN ATTEMPTING TO OBTAIN COST OF LIVING INCREASES AND SALARY INCREASES FOR OFFICERS WHO ATTEND COLLEGE. THE BILL WHICH WAS JUST APPROVED OMITTED BOTH THE COST OF LIVING INCREASE AND CREDIT FOR COLLEGE EDUCATION PROVISION WHICH HAVE BEEN STRONGLY RECOMMENDED BY THIS ASSOCIATION. THE POLICE OFFICER MUST HAVE A COST OF LIVING INCREASE BUILT INTO HIS SALARY. WITHOUT ONE, NEXT YEAR HE WILL BE IN THE SAME POOR ECONOMIC POSITION HE IS TODAY. ADDITIONAL PAY FOR OFFICERS WHO ATTEND COLLEGE IS ESSENTIAL IF WE WANT TO MAINTAIN A PROFESSIONAL, WELL-EDUCATED FORCE.

THE BILL WHICH WAS APPROVED BY THE SUBCOMMITTEE IS TIED TO AN INCREASE IN DISTRICT TAXES. THE CONGRESS HAS REPEATEDLY MADE POLICE RAISES DEPENDENT ON TAX INCREASES. THIS CAN ONLY HAVE AN ADVERSE EFFECT ON THE POLICE OFFICER'S IMAGE IN THE EYES OF THE GENERAL PUBLIC.

WE URGE THE HOUSE OF REPRESENTATIVES AND THE SENATE TO SUPPORT AND PASS A BILL WHICH CONTAINS THE COST OF LIVING INCREASE, CREDIT FOR COLLEGE EDUCATION AND RETROACTIVE PAY, SIMILAR TO THE BILL S.2829. INTRODUCED BY SENATOR J. GLENN BEALL AND CO-SPONSORED BY SENATOR CHARLES McC. MATHIAS. WE FURTHER URGE THAT THE CONGRESS APPROPRIATE MONIES FOR PAYMENT OF THESE COSTS.

**Policemen's Association
of the District of Columbia**

WASHINGTON, D. C.

Charter Member International Conference of Police Associations

Phone: Area 202
544-0011



1241 PENNSYLVANIA AVENUE, S. E.

WASHINGTON, D. C. 20003

July 10, 1974

TO THE MEMBERS OF THE DISTRICT OF COLUMBIA COMMITTEE:

We would further appreciate that the Committee consider the effect of the provision in the new pay bill which authorized the transfer of canine officers, helicopter pilots, plainclothes officers and other officers who receive some form of additional compensation, without any safeguard as to their job security.

The pay bill provides that transfers from such duty assignments are not considered "adverse actions", pursuant to Title 5, U.S. Code § 7511. Accordingly, officers in those positions can be summarily transferred, therefore, causing them to lose substantial additional compensation, with absolutely no safeguard to protect them.

Although we do not believe that it is necessary for such transfers to be considered "adverse actions", we do believe that it is necessary that some protection be afforded so that police officers will not be subject to indiscriminant and arbitrary removal from positions which carry substantial financial increments at the mere whim of their superior officers.

We believe that it is only reasonable to require that the department, in a case where such a transfer is involuntary, to provide written reasons to justify that transfer.

Sincerely,

Roger C. King,
President
Policemen's Association
of the District of Columbia

RCK:sw

**Policemen's Association
of the District of Columbia**
WASHINGTON, D. C.

Phone: Area 202
544-0011

Charter Member International Conference of Police Associations



ATTACHMENT "B"

1241 PENNSYLVANIA AVENUE, S. E.
WASHINGTON, D. C. 20003

**POLICEMEN'S ASSOCIATIONS OPPOSITION TO
THE POLICE AND FIREMEN'S SALARY ACT AMENDMENTS
OF H.R. 15842**

SECTION 101 (2): THIS PROVISION MEANS THAT IT WILL NOT BE NECESSARY FOR THE POLICE DEPARTMENT TO GO THROUGH A DISCIPLINARY PROCEEDING, WHICH REQUIRES NOTICE AND AN OPPORTUNITY TO RESPOND TO SUCH PROCEEDING, WHEN THEY TRANSFER AN OFFICER OUT OF A POSITION FOR WHICH HE WAS ENTITLED TO RECEIVE ADDITIONAL COMPENSATION.

SECTION (5): THIS SECTION PROVIDES THAT DOG HANDLERS WILL BE TREATED IN THE SAME MANNER AS ALL OTHER PERSONS WHO RECEIVE TECHNICIAN'S PAY. THAT MEANS THAT THE CHIEF OF POLICE IS EMPOWERED TO DETERMINE THAT THE POSITION OF "DOG HANDLER" IS NOT TO BE INCLUDED AS A TECHNICIAN'S POSITION. THEREFORE HE WILL HAVE THE RIGHT TO TAKE AWAY THEIR ADDITIONAL COMPENSATION THE SAME WAY HE DID THAT TO PLAINCLOTHES OFFICERS UNDER THE PREVIOUS PAY BILL. THE POLICEMEN'S ASSOCIATION, ON BEHALF OF THE FRATERNAL ORDER OF DETECTIVES, BROUGHT SUIT TO REQUIRE THE CHIEF OF POLICE TO PAY PLAINCLOTHES OFFICERS ADDITIONAL COMPENSATION AS TECHNICIANS. THAT CASE HAS NOT YET BEEN RESOLVED.

2.

PARAGRAPH (E): THIS PARAGRAPH SAYS THAT AN OFFICER RECEIVING ADDITIONAL COMPENSATION AS A TECHNICIAN, WHO IS TRANSFERRED OUT OF THAT POSITION, WILL CONTINUE TO RECEIVE THAT ADDITIONAL COMPENSATION EVEN THOUGH HE IS NO LONGER IN THAT TECHNICIAN'S POSITION, UNTIL HIS BASIC COMPENSATION IS INCREASED TO THE LEVEL OF THAT COMPENSATION.

SECTION (8): THIS PARAGRAPH HAS THE EFFECT OF REQUIRING THAT ALL SERVICE AS A POLICEMAN OR FIREMAN BE SATISFACTORY IN ORDER FOR THE OFFICER TO RECEIVE LONGEVITY PAY AT THE END OF 15, 20, 25, AND 30 YEARS. THE COMPTROLLER GENERAL OF THE UNITED STATES HAS RULED THAT THE PRIOR SECTION OF THE D.C. CODE (4-832A) DID NOT REQUIRE THAT ALL SERVICE BE SATISFACTORY IN ORDER FOR OFFICERS TO BE ELIGIBLE TO RECEIVE LONGEVITY PAY. THE EFFECT OF THIS AMENDMENT WILL BE TO NULLIFY THAT DECISION RETROACTIVE TO MAY 1, 1972, THUS EFFECTIVELY WIPING OUT THE ENTIRE PERIOD OF THE PRIOR PAY LEGISLATION. IT IS OUR OPINION THAT SUCH RETROACTIVE LEGISLATION (WHICH HAS THE EFFECT OF TAKING AWAY BENEFITS, AS OPPOSED TO GRANTING BENEFITS) IS UNCONSTITUTIONAL.

SECTION 113: THIS PROVISION SETS UP A DISTRICT OF COLUMBIA LABOR BOARD. THE COMMITTEE MAY NOT BE AWARE OF THE FACT THAT THE DISTRICT OF COLUMBIA ALREADY HAS A LABOR BOARD WHICH ALREADY HAS RULES AND REGULATIONS WHICH PERFORMS ESSENTIALLY THE SAME FUNCTION AS DESCRIBED IN SECTION 113.

**Policemen's Association
of the District of Columbia**
WASHINGTON, D. C.

Phone: Area 202
544-0011

Charter Member International Conference of Police Associations

ATTACHMENT "C"



1241 PENNSYLVANIA AVENUE, S. E.
WASHINGTON, D. C. 20003

POLICEMEN'S ASSOCIATIONS OPPOSITION TO
THE POLICE AND FIREMEN'S RETIREMENT ACT AMENDMENTS
OF H.R. 15842

SECTION 121: THIS CHANGE IN THE DISABILITY RETIREMENT ACT PROVIDES THAT A PENSION WILL BE BASED ON THE AVERAGE PAY, AS OPPOSED TO THE HIGHEST RATE OF BASIC COMPENSATION AT THE TIME OF RETIREMENT. IT HAS THE EFFECT OF PROTECTING AN OFFICER FROM DEMOTION WITHIN ONE YEAR OF HIS RETIREMENT. IT ALSO HAS THE EFFECT OF PREVENTING AN OFFICER FROM GETTING THE HIGHEST RATE OF HIS COMPENSATION IF HE RETIRED WITHIN ONE YEAR OF HIS PROMOTION.

**Policemen's Association
of the District of Columbia**
WASHINGTON, D. C.

Phone: Area 202
544-0011

Charter Member International Conference of Police Associations



1241 PENNSYLVANIA AVENUE, S. E.
WASHINGTON, D. C. 20003

July 23, 1974

TO THE MEMBERS OF THE DISTRICT OF COLUMBIA COMMITTEE:

The Policemen's Association of the District of Columbia requests that Title I, Section 123 of H.R. 15842, as amended by the Committee, be amended in the Senate version, to read as follows:

Sec. 123. Subsection (m)(2) of the Policemen and Firemen's Retirement and Disability Act (D.C. Code, sec. 4-533 (2)) is amended by inserting at the end thereof "The Commissioner shall not require employment questionnaires or medical examination of such member after he reaches the age of 50."

The change from the House version is in striking the word "the" before the word medical and inserting after the word require "employment questionnaires or".

The following two paragraphs and the accompanying letters explain the reasons for this request.

Mr. Donald H. Weinberg, Director of Personnel of the District Government, in the accompanying letter to Mayor-Commissioner Washington states that "the disability status of former members who have reached the age of fifty cannot be changed under existing law". Also, page 4, Section III of Commissioner Washington's order 74-31, in paragraph 1, excludes the retirees past fifty years of age from the order, yet Mr. Weinberg says in

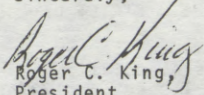
-2-

the letter of June 24, 1974 to the Mayor-Commissioner, "since the amendment" (Section 203 of Public Law 92-410) "makes no exclusion of retirees because of age, the mailing of this questionnaire to all disability retirees, regardless of age, is proper and they have a legal obligation to comply".

This Association does not believe the intent of Congress was to change the retirement age with Section 203 of Public Law 92-410. Also, we do not believe the intent of Congress was to have the disability retirees above fifty years of age to be harassed and annoyed by these questionnaires even into their eighties and nineties, and in some cases the members of deceased retirees families received these questionnaires, to say nothing of many others senile and mentally and physically unable to answer such questionnaires.

Therefore, we respectfully urge the above amendment be included in pending legislation.

Sincerely,


Roger C. King,
President
Policemen's Association
of the District of Columbia

RCK:sw
Enclosures

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Police and Firemen's Retirement and Relief Board
Washington, D. C.

Date _____

TO: ALL DISABILITY RETIREES

Section 203 of Public Law 92-410, approved August 29, 1972, amends the Police and Firemen's Retirement and Disability Act by adding the following paragraph to subsection (m):

"(2) If a member is retired under subsection (f) or (g) of this section and is employed on or after the effective date of the District of Columbia Police and Firemen's Salary Act Amendments of 1972, such member shall, in accordance with such regulations as the Commissioner shall prescribe, notify the Commissioner of the employment; and the Commissioner shall, as soon as practicable after the receipt of such notice, require each such member to undergo a medical examination (satisfactory to the Commissioner) of the disability upon which the member's retirement under such subsection is based."

This provision applies to all disabled retirees of the Metropolitan Police force or the Fire Department of the District of Columbia, the United States Park Police force, the Executive Protective Service or the United States Secret Service who were employed on May 14, 1972, or become employed anytime thereafter. Section 203 also provides that the Commissioner of the District of Columbia shall promulgate the regulations for administering the new paragraph and give written notice to each disabled retiree of the issuance of such regulations. Commissioner's Order 74-31, dated February 12, 1974, establishes the policies and procedures for administering this new provision of law.

Accordingly, pursuant to subsection (m) (2) of the Act and Commissioner's Order 74-31, you are hereby notified of the legal requirement to inform the Police and Firemen's Retirement and Relief Board in the event you become employed (including self-employment). Such notification shall be submitted within 30 days of your employment date. Attached is an employment questionnaire which shall be used for your notification to the Retirement Board.

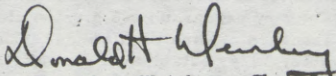
Employed disabled retirees of the Metropolitan Police Department, the U. S. Park Police force, the Executive Protective Service or the U. S. Secret Service should return the questionnaire to:

Mrs. Gale Garner
Administrative Duty Branch
Metropolitan Police Department
Room 4058
300 Indiana Avenue, N. W.
Washington, D. C. 20001

Employed disabled retirees of the D. C. Fire Department should return the questionnaire to:

Mrs. Norma Hansell
D. C. Fire Department
Personnel Office
Room 421
614 H Street, N. W.
Washington, D. C. 20001

After receipt of your notification, the Retirement Board will contact you with respect to the requirement to undergo a medical examination of your disability. It will also be necessary for you to notify the Retirement Board of any subsequent change in your employment status, e. g., termination of current employment or acceptance of new employment.


Donald H. Weinberg, Chairman
Police and Firemen's Retirement
and Relief Board

Attachment

GOVERNMENT OF THE DISTRICT OF COLUMBIA

ADMINISTRATIVE ISSUANCE SYSTEM

'74 MAR -7 11:10

Commissioner's Order 74-31

Date: February 12, 1974

SUBJECT: Policies and Procedures for Administering Paragraph (2) of Subsection (m) of the Policemen and Firemen's Retirement and Disability Act

ORIGINATING DEPARTMENT: Office of Personnel

By virtue of the authority vested in me by Reorganization Plan No. 3 of 1967 and pursuant to the provisions of Public Law 92-410, approved August 29, 1972, it is hereby Ordered That:

I. PURPOSE:

The policies and procedures established herein shall govern the administration of paragraph (2) of subsection (m) of the Policemen and Firemen's Retirement and Disability Act (as amended by P. L. 92-410; 86 Stat. 642), which requires that any officer or member of the Metropolitan Police force or Fire Department of the District of Columbia, the United States Park Police force, the Executive Protective Service or the United States Secret Service who is retired under subsection (f) or (g) of the Policemen and Firemen's Retirement and Disability Act (D. C. Code, sec. 4-526 or sec. 4-527) and who is employed on or after May 14, 1972, shall notify the Commissioner of such employment and shall undergo a medical examination (satisfactory to the Commissioner) of the disability upon which the officer or member's retirement under such subsection is based.

II. DELEGATION OF FUNCTIONS:

A. Director of Personnel. In his capacity as Chairman, Police and Firemen's Retirement and Relief Board (hereinafter referred to as the "Retirement Board"), the Director of Personnel shall be responsible for coordinating the administration of the aforementioned paragraph (2) in accordance with these policies and procedures.

B. Police and Firemen's Retirement and Relief Board.

1. The Retirement Board shall be responsible for giving timely written notice to each officer or member who is retired under subsection (f) or (g) of the Policemen and Firemen's Retirement and Disability Act of the promulgation of these policies and procedures and, if he is employed on or after May 14, 1972, of the requirement to notify the Retirement Board, in writing within 30 days of the date of its notice, of the type, location and specific duties of such employment.
2. After notification from each employed disabled retiree who resides within the Washington Metropolitan Area (the District of Columbia, the cities of Alexandria and Falls Church in Virginia, Montgomery and Prince George's Counties in Maryland, and Arlington and Fairfax Counties in Virginia), the Retirement Board shall direct the retiree to report to the Board of Police and Fire Surgeons (hereinafter referred to as the "Board of Surgeons") for a medical examination of the disability for which he was retired to determine his current physical and/or mental condition.
3. (a) After notification from each employed disabled retiree who resides outside the Washington Metropolitan Area, the Retirement Board shall direct the retiree to submit, in lieu of appearing before the Board of Surgeons, a statement of medical examination from a medical officer of any Federal, State or local government agency or any other licensed physician of the State in which he resides. To the extent possible, such medical officer or physician shall be certified in the field most nearly related to the retiree's disability. Such statement shall be submitted to the Board of Surgeons and must certify as to the retiree's current physical and/or mental condition, with specific reference to the disability for which he was retired. The statement must also certify that the examining physician is not related by blood or marriage to the retiree. Any expenses incurred in obtaining such statement will be borne by the retiree.

(b) Prior to such examination, the retiree shall submit to the Board of Surgeons the name, address and specialty field of the physician who is to perform the examination. A copy of the medical report upon which the officer or member's retirement was based shall be furnished to the examining physician for use in connection with the examination.

(c) The Retirement Board may, in its discretion, require the retired officer or member who resides outside the Washington Metropolitan Area to report to the Board of Surgeons for the medical examination. Any expenses incurred by the retiree who is required to do so will be borne by the retiree.

4. The Retirement Board shall review the written report of medical examination submitted to it by the Board of Surgeons in the case of each employed disabled retiree to determine the current status of the retiree's disability. Where it finds that an employed disabled retiree has recovered from his disability, the Retirement Board shall apply the recovery from disability provision of subsection (j) of the Policemen and Firemen's Retirement and Disability Act (D. C. Code, sec. 4-530) (see item III below).

5. The Retirement Board may, in its discretion, require any employed disabled retiree to personally appear before it to give testimony under oath regarding his present physical and/or mental condition. Any expenses incurred by the retiree who is required to do so will be borne by the retiree.

C. Board of Police and Fire Surgeons

1. (a) The Board of Surgeons shall schedule and conduct a thorough medical examination to determine the present physical and/or mental condition of each employed disabled retiree who resides within the Washington Metropolitan Area. A specialist in the field most nearly related to the retiree's disability (e. g., orthopedics, neurology) shall be consulted, as deemed necessary, in determining the retiree's present physical and/or mental condition.

(b) The Board of Surgeons shall thoroughly evaluate all pertinent medical records and employment information in determining the retiree's present physical and/or mental condition.

(c) In the case of each employed disabled retiree it examines, the Board of Surgeons shall submit to the Retirement Board a written report of such examination, with specific reference to the disability for which the individual was retired. Such report shall include a statement as to whether or not, in the Board of Surgeons' opinion, the retiree has recovered from his disability.

2. With respect to each employed disabled retiree examined by a physician outside the Washington Metropolitan Area, the Board of Surgeons shall submit to the Retirement Board a written report of its evaluation of such physician's statement of medical examination, together with such statement and related employment information, with specific reference to the disability for which the individual was retired. Such report shall include a statement as to whether or not, in the Board of Surgeons' opinion, the retiree has recovered from his disability.

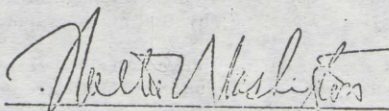
III. RECOVERY FROM DISABILITY:

1. In the case of any officer or member retired under subsection (f) or (g) of the Policemen and Firemen's Retirement and Disability Act, who is found to have recovered from his disability, before reaching the age of fifty, payment of his annuity shall cease upon reemployment in the department from which he was retired or one year from the date of the medical examination showing such recovery whichever is earlier.

2. A retiree who is found to have recovered from his disability and who applies for reinstatement in the department from which he was retired shall be reinstated in the same or nearest equivalent grade and salary available as that received at the time of his retirement provided that he meets the current entrance requirement of such department as to character.

IV. EFFECTIVE DATE:

The policies and procedures established herein shall take effect this date.



 Walter E. Washington
 Commissioner of the District of Columbia

LAW OFFICES OF
H. CLIFFORD ALLDER
666 11TH STREET, N.W.
WASHINGTON, D.C. 20001
NATIONAL 8-1779

March 13, 1974

Mr. Donald H. Weinberg
499 Pennsylvania Avenue, N.W.
Washington, D.C. 20001

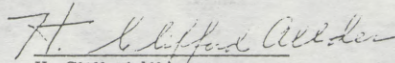
Dear Mr. Weinberg:

On behalf of the Association of Retired Policeman of D.C. I object to your letter dated March 8, 1974, addressed to Disability Retirees, concerning Section 203 of Public Law 92-410. This objection is made on behalf of all the members of this organization who have reached the age of 50.

The reasons for our objections are as follows:

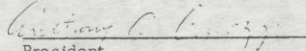
1. Title 4 Section 530 of the D.C. Code which covers recovery from disability and restoration to earning capacity----concerns only the annuitants under the age of 50. There is no amendment to this Section, it is still law as of this date.
2. Public Law 92-410 in making an amendment to Section 203 commands the Commissioner of the District of Columbia to promulgate the regulations required within 90 days of the enactment of the Act. The date of the enactment was August 29, 1972. The Commissioner by Order 74-31, dated February 12, 1974, attempting to promulgate regulations concerning this Section has issued an illegal Order as it has come 18 months after August, 1972. The Statute states that he shall do it within 90 days.
3. The Order 74-31, dated February 12, 1974, still does not require, even if it were legal, anyone 50 years of age or over to comply with his Order of that date. See page 4 of said Order, III Recovery From Disability.

We of course, will not answer any of these illegal questions until the matters which are mentioned above are resolved.

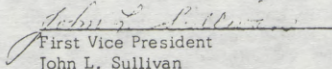


H. Clifford Alder
Attorney for the Association of
Retired Policeman of D.C.

We adopt, on behalf of the members of the Association of Retired Policeman of D.C., the above letter.



President
Anthony A. Cuozzo



First Vice President
John L. Sullivan

LAW OFFICES OF
H. CLIFFORD ALLDER
666 11TH STREET, N. W.
WASHINGTON, D. C. 20001
NATIONAL 8-1779

June 4, 1974

Hon. Walter E. Washington
Commissioner of the District of Columbia
District Building
Fourteenth & E Streets, N.W.
Washington, D.C. 20001

RE: Commission Order 74-31
February 12, 1974

Dear Commissioner:

Mr. Donald H. Weinberg, Chairman of Police and Firemen's Retirement and Relief Board, in a letter dated March 8, 1974 addressed to Disability Retirees concerning Section 203 of Public Law 92-410, demanded that all retirees answer an enclosed questionnaire.

On behalf of the Association of Retired Police of the D.C. I addressed a letter to Mr. Weinberg, dated March 13, 1974. I am enclosing a copy of that letter.

Since that time Mr. Weinberg has again sent out questionnaires to retired policemen who have reached the age of 50. The Association of Retired Police of D.C. again objected to answering this questionnaire.

The reasons for our objection are as follows:

1. The Law as enacted by Congress under Title 4 Section 530 still contains a provision which exempts them from answering such a questionnaire.

2. These letters have been addressed to retirees in their 80's, some of whom are terminal patients in nursing homes. There are some who are senile, that do not even recognize their own wives,

and the families of several deceased members have received the letter. These communications to these people have been upsetting, disconcerting and almost amount to harassment.

3. This letter demands that these questions be answered under oath, that no arrangement has been made to provide a Notary Public for those who are unable to travel to one or to afford to pay one, even if they are competent to execute such oath.

Reiterating the last paragraph of my letter to Mr. Weinberg "We of course, will not answer any of these illegal questions until the matters which are mentioned above are resolved".

H. Clifford Allder

H. Clifford Allder
Attorney for the Association of
Retired Policemen of D. C.

HCA/dt
Enclosure

Anthony A. Cuozzo

President
Anthony A. Cuozzo

John L. Sullivan

First Vice President
John L. Sullivan

Edmond J. Fitzgerald

Second Vice President
Edmond J. Fitzgerald

John E. Burton

Secretary-Treasurer
John E. Burton



THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004

WALTER E. WASHINGTON
Mayor-Commissioner

JUN 28 1974

H. Clifford Alder, Esquire
666 11th Street, N.W.
Washington, D.C. 20001

Dear Mr. Alder:

This is in reply to your letter, dated June 4, 1974, on behalf of the Association of Retired Policemen of D.C., concerning the reporting requirement and medical examination of employed Police and Fire disability retirees age 50 and over.

Attached is a copy of a report prepared by Mr. Donald H. Weinberg, Director of Personnel, on this matter.

Please let me know if I can be of further assistance.

Sincerely yours,

A handwritten signature in cursive script that reads "Walter E. Washington".

Walter E. Washington
Mayor-Commissioner

Attachment

In order to assure that all disability retirees are properly notified, each was directed to return the questionnaire, regardless of his employment status since May 14, 1972. The questionnaires were mailed to individuals on the disability retirement rolls as of December 1973.

The notification transmitting the questionnaire clearly explains the legal requirement of the amendment. In addition, my reply to Mr. Alder's letter of March 13, 1974 explained this new provision of law in terms of his concerns.

**Policemen's Association
of the District of Columbia**

WASHINGTON, D. C.

Charter Member International Conference of Police Associations

Phone: Area 202
544 0011



1241 PENNSYLVANIA AVENUE, S. E.

WASHINGTON, D. C. 20003

July 20, 1974

Washington Star-News

TO THE EDITOR:

SIR: As a regular subscriber to the Star-News, I was really disappointed by your editorial concerning police-fire pay raises of this date. Surely whoever did the editorial should do a little homework before they comment so conclusively on the fate, economically speaking, of the police and firemen that perform the hazardous duty in the Nation's Capital.

I sincerely hope you're fair enough to print the police, firemen and teachers side of the coin, for there are some irrefutable facts the public should be made aware of on their side of the coin, as well as hopefully the editor might re-think his position.

1. Between May of 1972, the date of the last police-fire pay raise, and July 1974 the Consumer Price Index for the Washington, D.C. Metropolitan area rose 16.8%.

2. Police privates are presently in last place, and fire privates are 2nd to last place, with respect to minimum salaries, compared with those in the 6 surrounding jurisdictions.

3. The 16% pay increase will once again re-establish the basic minimum District of Columbia police-firemen salary as the highest paid in the Metropolitan area, but it should be noted that due to educational incentives and shorter time periods to reach maximum salary, many police officers in surrounding jurisdictions will still receive higher pay than officers of comparable rank in the District of Columbia.

page 2

Does the Star-News believe the ratio of pay for District police and firemen should not be competitive with other jurisdictions of the Metropolitan area? Do you give any consideration to the hazards inherent in the duties of police and firemen in our large urban departments and the special problems existing in our Nation's Capital? Prospective police and fire personnel do.

In making such a big pitch about taxes to pay for the raise why didn't you go to the root of the matter? We have an authorization for 5,100 policemen, 2,000 of which were added at the request of Presidents Johnson and Nixon and the Congress, and they were concerned about the residents, workers and visitors being safe in our Nation's Capital. Baltimore, a city with approximately the same population has approximately 2,300 policemen. So our police department is probably double what it would be if this were not the Federal City. Surely the Federal government has a responsibility here and should point ~~out the reasons for it~~ but not in a fashion to negate justified pay raises.

And I believe you should also point out that the Federal and District classified and blue collar workers get their pay raises automatically, when economically justified, without any discussion about raising taxes. Why should police, firemen and school teachers be blamed by our fellow citizens for a tax increase each time we get a pay raise when we are the people that really need the cooperation of the citizens to perform our job well. Why discriminate against police and firemen and school teachers and make us the bad guys to our fellow citizens by raising their taxes specifically each time we receive a pay raise? Give us an automatic system of pay adjustments such as Federal and District classified and blue collar workers have and include the pay adjustments in the regular budget the same as all the other employees and then our fellow citizens won't be thinking of a tax increase everytime they see a policeman, fireman, or a school teacher.

There is included in the House version of the police-fire pay bill a collective bargaining section for policemen and firemen. When policemen and firemen are prohibited by law from striking, as they rightfully should be, why not admit a fact that so-called "collective bargaining" without binding arbitration is a farce as the situation in Baltimore recently so vividly points out? Do we want a situation to develop here like that in Baltimore recently?

With the above facts I sincerely hope the Star-News will re-think its position and support positively in the future an equitable system of automatic pay increases for policemen, firemen and school teachers such as enjoyed by the Federal and District classified and blue collar workers, so we don't have to go 2 or 3 years without a pay raise as we have been doing, and lose the yearly

page 3

increases everyone else gets, and when we do come abreast as we did in 1972 after 3 years approximately, and now after 27 months approximately, to get blamed for a tax increase to pay for it, after losing hundreds and thousands of dollars due to the lag in pay adjustments.

With the current annual inflation rate of 12%, necessity should dictate that we can't afford 2 or 3 year time lags in salary adjustments for policemen and firemen in the future and the denial of economically justified increases will only create situations just as Baltimore had recently.

Sincerely,

Roger C. King,
President
Policemen's Association
of the District of Columbia

RCK:sw



Take care of that, Walter!

Editorials

Washington Star-News

Opinion

A-14

SATURDAY, JULY 20, 1974

The Mayor on the Spot

If a popularity contest were to be held around here this weekend, the members of the House District Committee assuredly would have the votes of the District's policemen, firemen and teachers all wrapped up. In proposing 13-to-16 percent pay raises for those employees the other day, the committee dealt them a real bonanza. But what the city government feels it got from all this was a political shot to the solar plexus, and we're inclined to feel some sympathy for their plight.

There is an argument, in the first place, whether pay boosts of the size in question are justified. The committee voted unanimously and unequivocally that they are. The city government, in holding out for no more than 10-percent raises, says they aren't—and that furthermore it doesn't have the money to pay for them.

Well, when such disagreements have arisen in the past, as they have, Congress inevitably prevailed, but as a part of its victory provided the new-revenue authorizations needed to carry out its will.

Not this time. Having overridden Mayor Washington's case on the size of the pay raises the committee this time passed to the city not the buck but the bill—along with a special, unprecedented authorization for the city to raise such local taxes as may be required for that purpose.

Now it is quite true, as congressional sources argue, that tax-raising is one of the political unpleasanties that the District is going to have to get used to when its newly elected government assumes taxing authority under home rule, starting next year. But the other side of that coin, as City Council Chairman John Nevius observes, is that next year's government—unlike this year's—also presumably will have the power to decide how much money should be spent on things like pay raises. And until both those powers are in hand, he rightly suggests, it would be a lot fairer to play the game by the old rules.

What makes this so agonizing to Mayor Washington and to a number of other appointed city officials at this

particular moment is, of course, that they are running for elective office, which is no time for any politician in his right mind to raise taxes if he can avoid it.

Maybe, as some congressmen also have suggested, the pay-raise costs can be squeezed out of next year's billion-dollar city budget. But that seems dubious. The city had set aside only \$18 million for pay raises; the House committee's beneficence would up the tab to \$32.3 million. One way or another, the mayor and the council are going to face some tough decisions not of their own making if the House committee's pay proposals, as expected, are passed.

And while we wouldn't go so far as to say there was any sort of deliberate intent on the committee's part to embarrass the present government, there certainly isn't much evidence of serious efforts to avoid it.

The CHAIRMAN. Give us your name and who you represent, and if you have a prepared statement, we would be glad to have it made a part of the record.

STATEMENT OF PRIVATE HERBERT E. PETSCHK, MEMBER OF THE DISTRICT OF COLUMBIA FIRE DEPARTMENT

Private PETSCHK. I am a private in the fire department in this city. I would like to refer specifically to section 401. I believe you have a copy of my statement which I will read very briefly.

I am writing in reference to the report by the Committee on the District of Columbia concerning salary increases for District of Columbia police, firemen, and teachers.

UNSATISFACTORY RATINGS

I am specifically writing in regard to the article entitled title IV, Longevity (page 46 of booklet). I wish to protest the proposed changes in section 401(a)(2): Old wording reads "any period" and new wording reads "only those periods of this service determined to have been satisfactory service and any period" et cetera.

I wish to go on record as protesting the new wording in this section for the following reasons:

1. At present, I am still being penalized for what has occurred in May of 1961.
2. The new wording may affect retirement in that members would be required to serve 21 years in order to retire with 20 years service. This would also affect retirements at 30 years also.
3. Affects additional congressional raises regarding firemen and policemen.
4. Requires a member to serve 16 years, 21 years, 26 years, and 31 years service in order to acquire the additional 5 percent, 10 percent, and 20 percent as granted by Congress in accordance with Public Law 92-410.
5. As explained to member "an unsatisfactory rating is a one time penalty imposed on member for one year." However, this is not accurate. Unsatisfactory ratings affect pay raises as granted by congressional law for as long as member is with the fire department. It causes much animosity to member knowing approximately 1,500 members will receive pay raises while he must wait another year.

For the above reasons I respectfully request that this section not be amended with the new wording.

As in my example, Mr. Chairman, in 1961 I was given an unsatisfactory rating for failing a written examination. I have to go through 17 years before I can go to top private, and at the time, this was my penalty, and I accept this.

What I am disturbed about is the additional longevity as granted by congressional law, in a sense, I would be fined again by the changing of that paragraph.

I am not prepared to make any further statement, as I was told I would not be able to testify, but I would appreciate it if given the opportunity to submit additional written testimony on this.

The CHAIRMAN. Anyone is free to testify, Mr. Petschk, at these hearings. They have always been held in open hearings. You heard me say at least two or three times, if there are any other witnesses wanting to testify on these matters, to please come forward, so whoever it was that informed you that you would not be able to testify, was not stating the policy of this committee.

Private PETSCHK. I was told it was because of lack of enough time.

The CHAIRMAN. We are always interested in hearing from any interested and concerned citizens.

If you have supplemental material that you would like to supply to this committee, if you can do so within 4 days, we will receive it, and it will be made a part of the record.

Private PETSCHK. Mr. Chairman, I cannot do it within 4 days. I will be at my place of employment during that time, and I will not be able to get it to the committee.

I would like to have 10 days if possible.

The CHAIRMAN. On your matter, we will keep the record open 10 days relating to the section that is of concern to you.

Private PETSCHK. Thank you, Mr. Chairman. I appreciate it.

The CHAIRMAN. Thank you, Mr. Petschk.

[Prepared statements by Private Petschk follow:]

Private Herbert E. Petschk
 District of Columbia Fire
 Department
 450 6th St. S.W.
 Washington, D.C.

Senator Thomas Eagleton
 Chairman:
 Senate District Committee
 Room 6222
 New Senate Office Building
 Washington, D.C.

Dear Senator Eagleton:

I am writing in reference to the Report by the Committee on the District of Columbia concerning Salary Increases for D. C. Police, Fireman and Teachers.

I am specifically writing in regard to Article Entitled TITLE IV, Longevity (Page 46 of booklet). I wish to protest the proposed changes in Section 401, (a) (2): Old wording reads "any period" and new wording reads "only those periods of his service determined to have been satisfactory service and any period" etc.

I wish to go on record as protesting the new wording in this section for the following reasons:

1. At present, I am still being penalized for what had occurred in May of 1961.
2. The new wording may effect retirement in that members would be required to serve twenty one years in order to retire with twenty years service. This would also effect retirements at thirty years also.
3. Effects additional congressional raises regarding Firemen and Policemen.
4. Requires a member to serve sixteen years, twenty one years, twenty six years, and thirty one years service in order to acquire the additional 5%, 10%, 15%, and 20% as granted by Congress in accordance with PL 92-410.
5. As explained to member "an unsatisfactory rating is a one time penalty imposed on member for one year." However, this is not accurate. Unsatisfactory ratings effect pay raises as granted by Congressional Law for as long as member is with the Fire Department. It causes much animosity to member knowing approximately 1,500 members will receive pay raises while he must wait another year.

For the above reasons I respectfully request that this section not be amended with the new wording.

Respectfully submitted

Herbert Petschk

Herbert E. Petschk

Private Herbert E. Petschk
 District of Columbia Fire
 Department
 450 6th St. S.W.
 Washington, D. C.

August 3, 1974

Senator Thomas Eagleton
 Chairman
 Senate District Committee
 Room 6222
 New Senate Office Building
 Washington, D.C.

Mr. Chairman;

I wish to go on record as being opposed to the new wording in Article Entitled TITLE IV Longevity (Page 46 of booklet). I wish to protest the proposed changes in Section 401 (a) (2) for the following reasons:

In making reference to PL 85-585 dated August 1, 1958 and under the Section of 401 (a) (1) the particular wording I make reference to is "and in order to be eligible therefore he shall have a current performance rating of "satisfactory" or better."

Yet, in the Fire and Police pay bill PL-90-320 dated May 27, 1968 and coming under Section 2 (b) gave me additional compensation for having completed ten (10) years service, however, under Section 2 (b) (8) takes this additional compensation away by the wording "only periods of satisfactory service as an officer or member and periods of satisfactory service in the Armed Forces of the United States shall be included."

I make reference to PL-92-410 only to point out that I was forced to seek a ruling from the Comptroller General of the United States in order to receive compensation as directed by Congress. This ruling was granted in my favor, yet I have not received any compensation.

In may of 1961, I recieved an unsatisfactory rating from the Fire Department. At that time I was denied my service step increase until rated satisfactory. Since the Department does not rate but once per year, I had to wait another year to receive my service step. Since 1961, all my ratings were rated satisfactory.

Now I find that Congress is penalizing me in addition to penalties meted out in 1961. In addition, I must wait seventeen years in order to receive compensation for sixteen years service as others receive.

I wish to go on record as not being opposed to the practice of the Unsatisfactory Rating given by the Department, although I am opposed to the method in which it is accomplished. However, this is not a plea to abolish Unsatisfactory Ratings, only a sincere plea not to continue to penalize any member of the Department for something that happened thirteen years ago.

Therefore, Mr. Chairman, I respectfully request that the word "CURRENT" be placed in the proper place so that any member with a "current performance rating of satisfactory or better" would receive compensation as granted by Congress.

In closing, I wish to thank the Chairman for granting me additional time to further investigate testimony and evidence from other pay bills in order to submit this brief.

Respectfully submitted

Herbert Petschk

Herbert E. Petschk

The CHAIRMAN. I take it there is no one else who desire to testify on matters relating to police, fire, and teachers' salaries and working conditions.

If not, that then concludes the hearings on those matters, and our final group of bills are H.R. 342 and H.R. 12832.

Mr. Simons has already endorsed H.R. 342.

We have next Mr. William Robinson, chief, Legislation and Opinions Division, Office of Corporation Counsel, and Mr. Neil Dickman, assistant Corporation counsel.

If you would briefly summarize your prepared statement for the record, we would appreciate it.

STATEMENTS OF WILLIAM ROBINSON, CHIEF, LEGISLATION AND OPINIONS DIVISION, OFFICE OF CORPORATION COUNSEL; AND NEIL DICKMAN, ASSISTANT CORPORATION COUNSEL

Mr. DICKMAN. Thank you for the opportunity to present the position of the District government on H.R. 342, a bill "To authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel."

H.R. 342 BENEFITS

The bill would make it possible for the District of Columbia to have the advantage of the benefits available under the interstate agreement on qualification of education personnel, in like manner as the 31 States which have adhered to the agreement as of the present time. These benefits primarily are the reduction or elimination of the need for the District government to evaluate teacher records which already have been evaluated by competent authorities in one or more of the States. The elimination or reduction of any need on the part of the District to reexamine the qualifications of applicants for teaching positions in the District should result in the faster processing of teacher applications, improve teacher morale, permit rapid identification of qualified teachers, and increase the supply of qualified educational personnel.

In the belief that authority in the District government to adhere to the interstate agreement on qualification of educational personnel will not only serve to advance education in the District, but will also bring the District into line with the prevailing policy of interstate coordination and cooperation, the District government recommends the enactment of H.R. 342.

The CHAIRMAN. And 30 States have participated?

Mr. DICKMAN. I believe 31. They are listed in the House committee report.

The CHAIRMAN. Is there any reason why the District of Columbia should not be a part of such an interstate arrangement?

Mr. DICKMAN. No; there is not.

The CHAIRMAN. That is fine. Thank you, Mr. Dickman.

[Subsequent to the hearing the following letter was received:]

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
 OFFICE OF THE CORPORATION COUNSEL,
Washington, D.C., July 26, 1974.

L&O:RND:if.

ROBERT HARRIS, ESQ.,
*Staff Director, Committee on the District of Columbia,
 U.S. Senate, Washington, D.C.*

DEAR MR. HARRIS: At the hearing of July 25, 1974 on H.R. 342, we stated that thirty-one States, rather than twenty-eight, have now adopted the Interstate Agreement on Qualification of Educational Personnel. These States are as follows:

Alaska	New Jersey
California	New York
Connecticut	North Carolina
Delaware	Ohio
Florida	Oklahoma
Hawaii	Pennsylvania
Idaho	Rhode Island
Indiana	South Carolina
Iowa	South Dakota
Kentucky	Utah
Maine	Vermont
Maryland	Virginia
Massachusetts	Washington
Minnesota	West Virginia
Nebraska	Wisconsin
New Hampshire	

Sincerely yours,

R. NEIL DICKMAN,
Assistant Corporation Counsel, District of Columbia.

Mr. ROBINSON. The mayor has submitted a report on this bill to the this committee, and I would ask at this time that it be made a part of the record.

The CHAIRMAN. It so will be made.

[The report on H.R. 12832 follows:]

DEAR MR. CHAIRMAN: The Government of the District of Columbia has for report H.R. 12832, a bill "To create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia."

H.R. 12832 provides for the establishment of a Law Revision Commission whose fifteen members would be appointed by the President, the Speaker of the House of Representatives, the President pro tempore of the Senate, the minority leaders of the House and Senate, the Commissioner of the District of Columbia, the Chairman of the District of Columbia Council, the Joint Committee on Judicial Administration, the Corporation Counsel, and the Board of Governors of the unified bar, respectively. The members of the Commission would be appointed on a nonpartisan basis for a four-year term of office

and would be required to be citizens and bona fide residents of the District of Columbia. The Chairman of the Commission would be selected by the members from among their number.

Other provisions of H.R. 12832 relate to the compensation and travel allowances of members of the Commission, and authorize the Commission to hire and fix the compensation of a staff, request pertinent information from any Federal or District department or agency, and acquire such services by contract with Federal or State agencies and private entities as may be necessary to carry out its duties and responsibilities.

The bill would empower the Commission to examine and study the common and statutory law of the District of Columbia, municipal ordinances and regulations, and judicial decisions, and to consider suggestions and recommendations of the American Law Institute, the Conference of Commissioners on Uniform State Laws, bar associations, the judiciary, lawyers, and the public generally for the purpose of making recommendations to the Congress, and where appropriate to the Commissioner and the District of Columbia Council for the improvement and modernization of the civil and criminal laws of the District. Section 3(a) of H.R. 12832 provides that the Commission shall give priority to examination of the criminal law of the District and shall make its recommendations with respect to criminal law reform before beginning its examination of the civil law of the District.

In addition, H.R. 12832 would authorize the Commission to propose uniform rules of practice and procedure, including the conduct of hearings, before administrative agencies of the District Government, and to prepare a manual for the guidance of District agencies in carrying out the mandates of the District of Columbia Administrative Procedure Act. Section 5(a) of the bill would amend the Administrative Procedure Act to authorize establishment of a Municipal Code of the District of Columbia and require that every regulation in the nature of a law or municipal ordinance adopted by the District of Columbia Council be codified and published therein. The Municipal Code would conform as closely as possible and would be cross-indexed with the District of Columbia Code compiled by the Committee on the Judiciary of the House of Representatives, and the first such codification and publication of the Municipal Code is to be completed within one year after the date of enactment of the bill.

Finally, the bill provides that at the end of the fourth full calendar year after the date funds are first appropriated to the Commission, it shall cease to exist unless extended by Congress, and section 6 authorizes, out of moneys in the Treasury not otherwise appropriated, appropriations to carry out the purposes of the bill.

The District Government, in its report of July 11, 1973 on H.R. 7412 and H.R. 7658, expressed strong support for the creation of a Law Revision Commission charged with carrying out the functions and duties of the type authorized by H.R. 12832. We continue to support these objectives and recommend favorable consideration, subject to the following suggestions, of H.R. 12832.

First, it is possible that there may be appointed to membership on the Commission persons who are employed by the Federal or District Governments. Because of the dual compensation laws, such personnel are not generally entitled, when sitting as members of official boards and commissions, to compensation over and above their regular salaries. Accordingly, it is suggested that on page 3 of the bill the following sentence be added at the end of line 25: "Members of the Commission who are officers or employees of the Federal or District of Columbia government shall receive no additional compensation by virtue of their membership on the Commission."

Second, it would appear that the amendment of the District of Columbia Administrative Procedure Act provided by section 5 of the bill is not now necessary. To meet the requirements of the Act, the District Government has entered into a contract with Autocode, a division of Autocomp, Incorporated, to compile and publish all of the rules and regulations in effect in the District of Columbia. This project is well underway and is expected to be completed by July 1, 1974. The compilation will be cross-indexed with the District of Columbia Code and supplements will be issued by the contractor periodically to keep the compilation current and up to date.

Sincerely yours,

WALTER E. WASHINGTON,
Mayor-Commissioner.

Mr. ROBINSON. I am pleased to appear before you today to present the views of the District government on H.R. 12832, a bill which would authorize the establishment of a commission to review and study the present civil and criminal codes of law and procedure of the District of Columbia and make recommendations to the Congress for their modernization.

LAW REVISION COMMISSION

H.R. 12832 would establish a 15-member Law Revision Commission, all of whom would be appointed by officials in the legislative, executive, and judicial branches of the Federal or District governments. The bill would empower the Commission to examine and study the common and statutory law of the District of Columbia, municipal ordinances and regulations, and judicial decisions, and to consider suggestions and recommendations of the American Law Institute, the National Conference of Commissioners on Uniform State Laws, bar associations, the judiciary, lawyers, community groups, and others, for the purpose of making recommendations to the Congress for the improvement and modernization of present law.

In addition, H.R. 12832 would authorize the Commission to propose uniform rules of practice and procedure relating to hearings before administrative agencies of the District government, prepare a manual for the guidance of District agencies in carrying out the mandates of the District of Columbia Administrative Procedure Act, and require the codification and publication of a municipal code in which would be placed all District regulations and municipal ordinances.

COMPREHENSIVE REVIEW OF CODE OF LAWS

The enactment of H.R. 12832 will enable, for the first time since the turn of the century, a comprehensive review of the District's code of laws, both civil and criminal, to be undertaken. The failure to modernize the local code of laws by eliminating unnecessary or undesirable statutes and by updating and streamlining other statutory provisions has fostered needless litigation, complicated law enforcement responsibilities, and resulted in a steady flow of remedial and amendatory legislative proposals to the Congress. A study of the kind authorized by the bill is long overdue. The District government, accordingly, strongly recommends the favorable consideration of H.R. 12832.

We would, however, like to invite the attention of the committee to the following matters:

SUGGESTED CHANGES IN H.R. 12832

First, it is possible that there may be appointed to membership on the Commission persons who are employed by the Federal or District governments. Because of the dual compensation laws, such personnel are not generally entitled, when sitting as members of official boards and commissions, to compensation over and above their regular salaries.

Accordingly, it is suggested that on page 4 of the bill the following sentence be added at the end of line 8: "Members of the Commission who are officers or employees of the Federal or District of Columbia government shall receive no additional compensation by virtue of their membership on the Commission."

Second, it would appear that the amendment of the District of Columbia Administrative Procedure Act provided by section 5 of the bill may not now be necessary. To meet the requirements of the act, the District government has entered into a contract with Autocode, a division of Autocomp, Inc., to compile and publish all of the rules and regulations in effect in the District of Columbia.

This project is well underway and is expected to be completed before the end of 1974. The compilation will be cross-indexed with the District of Columbia Code and supplements will be issued by the contractor periodically to keep the compilation current and up-to-date.

Thank you, Mr. Chairman.

The CHAIRMAN. As you know, Mr. Robinson, the House District of Columbia Committee is going through extensive research with respect to revisions in the District of Columbia Criminal Code, and the work of the Commission once it was created would be very valuable as a methodology input into the ultimate work that is going to be done by the House District Committee, and then ultimately to come over to this committee for further analysis, so I think your proposal is a very worthy one.

Is there anybody else here who wants to speak on those bills?

If not that concludes these hearings on those bills, and it concludes the hearings in total.

The committee is adjourned.

[Whereupon, at 10 a.m., the committee adjourned.]

[Subsequent to the hearing the following letter was received:]



the active force
behind community progress

The Metropolitan Washington Board of Trade

AUG 1 3 58 PM '74

Clarence A. Arata
Executive Vice President

Board of Trade Building
1129 20th street n.w.
Washington, D. C. 20036
202-659-6442

July 31, 1974

The Honorable Thomas F. Eagleton, Chairman
Committee on the District of Columbia
United States Senate
Washington, D. C. 20510

My dear Senator Eagleton:

For quite some time, we at the Board of Trade have been very much concerned with and interested in the subject of salaries for the police, firemen, and teachers of this city. Naturally, we have been following the Congressional progress of legislation on this subject over the past several weeks. We had previously written Congressman Diggs stating that the Board of Trade supports legislation which will grant maximum increases in salary, particularly for the policemen and firemen, consistent with the District of Columbia's proposed financial plan for 1975 and within its present tax structure.

While it is true that the Mayor had recommended a 10% increase for these two Departments, we share with the Mayor his present approval of a 16% increase if funding can be made available to the District government for the additional amount required.

Therefore, we are encouraged by your suggestion that the additional funding necessary could come from a special Federal Payment of approximately \$14 million.

There is no question in our mind that the 16% pay boost is entirely in keeping with present conditions and should be provided, again assuming that a Federal Payment could be enacted to make up the difference between that which the District has reserved for this purpose and the amount required for the higher pay schedule.

We trust that you will be successful in your efforts to effect legislation on this matter.

Sincerely,

CLARENCE A. ARATA

