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P 15/7 PARK POLICE PAY COMPARABILITY, UNAUTHORIZED
USE OF RENTAL VEHICLES, CONTINUE BORROWING
AUTHORITY, UNIVERSITY REVENUE BONDS, AND
RESTATE UNIVERSITY CHARTER

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HEARING

BEFORE THE

COMMITTEE ON
THE DISTRICT OF COLUMBIA
UNITED STATES SENATE

NINETY-FOURTH CONGRESS

SECOND SESSION

ON

H.R. 15276 and S. 3786

GRANT U.S. PARK POLICE THE COST-OF-LIVING PAY INCREASE

H.R. 10826

TO PROHIBIT THE UNAUTHORIZED USE OF RENTAL VEHICLES

H.R. 14971

TO GIVE THE DISTRICT GOVERNMENT THE RIGHT TO CON-
TINUE TO BORROW FUNDS FROM THE U.S. TREASURY

S. 3807

TO AUTHORIZE THE D.C. GOVERNMENT TO PAY UNIVERSI-
TIES PROCEEDS FROM REVENUE BONDS ISSUED ON THEIR
BEHALF

S. 3818

TO RESTATE THE CHARTER OF THE GEORGE WASHINGTON
UNIVERSITY

SEPTEMBER 22, 1976

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



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(II)

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**PARK POLICE PAY COMPARABILITY, UNAUTHORIZED
USE OF RENTAL VEHICLES, CONTINUE BORROWING
AUTHORITY, UNIVERSITY REVENUE BONDS, AND
RESTATE UNIVERSITY CHARTER**

WEDNESDAY, SEPTEMBER 22, 1976

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

The committee met, pursuant to notice, at 9:35 a.m., in room 6226, Dirksen Senate Office Building, Senator Thomas F. Eagleton (chairman of the committee), presiding.

Present: Senators Eagleton and Mathias.

Staff present: Robert Harris, staff director and general counsel; Andrew E. Manatos, associate staff director; and Warren Lee Brown, minority professional staff member.

The CHAIRMAN. Good morning, ladies and gentlemen. The Senate District of Columbia Committee is now in session to conduct hearings on H.R. 14971, to give the District of Columbia government the right to continue to borrow funds from the U.S. Treasury; H.R. 15276 and S. 3796 to grant the U.S. Park Police the cost-of-living pay increase, and H.R. 10826, to prohibit the unauthorized use of a motor vehicle.

We will also hear testimony on two bills which affect institutions of higher education in the District; S. 3807, to authorize the District of Columbia government to pay to colleges and universities any proceeds which may be realized from the sale of revenue bonds which may be issued on behalf of such colleges and universities, and S. 3818, to restate the charter of The George Washington University.

We will begin with Mr. Coppie for the District of Columbia government and would like to ask him to comment on both H.R. 14971 and S. 3807.

I now place in the record copies of the bills under consideration this morning.
[The bills referred to follow:]

94TH CONGRESS
2D SESSION

H. R. 14971

IN THE SENATE OF THE UNITED STATES

AUGUST 24 (legislative day, AUGUST 23), 1976

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

AN ACT

To amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia, 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 723 of the District of Columbia Self-Govern-
4 ment and Governmental Reorganization Act (D.C. Code,
5 sec. 47-241 note) is amended—

6 (1) in subsection (a) by striking out “the effec-
7 tive date of title IV” in the first sentence and inserting
8 in lieu thereof “October 1, 1979”; and

9 (2) by adding at the end thereof the following
10 new subsection:

II

1 “(d) The authority contained in this section to make
2 loans shall be effective for any fiscal year only to such
3 extent or in such amounts as are provided in appropriation
4 Acts.”.

5 SEC. 2. Section 448 (4) of the District of Columbia
6 Self-Government and Governmental Reorganization Act
7 (D.C. Code, sec. 47-226 (4)) is amended by striking out
8 “November 1” and inserting in lieu thereof “February 1”.

9 SEC. 3. (a) Section 431 (e) (1) (C) of the District of
10 Columbia Self-Government and Governmental Reorganiza-
11 tion Act (D.C. Code, title 11 App. 431 (e) (1) (C)) is
12 amended—

13 (1) by striking out “202” and inserting in lieu
14 thereof “102”; and

15 (2) by striking out “subsection (b) (4) (D)” and
16 inserting in lieu thereof “paragraph (3) (E)”.

17 (b) Section 434 (b) (1) (C) of such Act (D.C. Code,
18 title 11 App. 434 (b) (1) (C)) is amended—

1 (1) by striking out "202" and inserting in lieu
2 thereof "102"; and

3 (2) by striking out "subsection (b) (4) (D)" and
4 inserting in lieu thereof "paragraph (4) (E)".

Passed the House of Representatives August 23, 1976.

Attest: EDMUND L. HENSHAW, JR.,
Clerk.

94TH CONGRESS
2D SESSION

S. 3807

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 13, 1976

Mr. EAGLETON introduced the following bill; which was read twice and referred to the Committee on the District of Columbia

A BILL

To amend Public Law 93-198.

- 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 490 of Public Law 93-198 is amended by
4 adding the following:
5 “(f) Payments authorized or required to be made by or
6 pursuant to any Act authorizing the issuance of revenue
7 bonds, notes, or other obligations for college and university
8 facilities under this section shall be made without further
9 authorization or approval.”

II

"PURPOSES

1

2

"SEC. 2. The purposes of the university are—

3

4

5

"(1) to educate individuals in liberal arts, languages, sciences, learned professions, and other courses and subjects of study,

6

7

"(2) to conduct scholarly research and publish the findings of such research,

8

9

"(3) to operate hospital and medical facilities, and

10

"(4) to engage in any activity incidental to the foregoing purposes.

11

12

Such purposes shall be accomplished without regard to the race, color, creed, sex, or national origin of any individual.

13

"POWERS

14

15

"SEC. 3. In order to carry out the purposes of the university, the university may—

16

17

18

"(1) grant or confer academic and honorary degrees, diplomas, and certificates under the seal of the university,

19

20

"(2) establish any school, division, or department of learning to become a part of the university,

21

22

"(3) receive, invest, and administer any gift or endowment of money or real or personal property,

23

24

25

"(4) borrow money, with or without any security for repayment, at rates of interest determined by the board of trustees of the university without regard to the

1 restrictions of any usury law, but may not plead any
2 usury law as a defense in any action.

3 “(5) enter into any agreement with any institu-
4 tion of learning for the purpose of providing to students
5 registered at such institution the educational facilities of
6 the university and the facilities of any agency of the
7 United States available to the university,

8 “(6) exercise all powers described in section 5 of
9 the District of Columbia Nonprofit Corporation Act
10 (D.C. Code, sec 29-1005) on the date of the enact-
11 ment of this Act and not inconsistent with the purposes
12 of the university, and

13 “(7) exercise all powers necessary, incidental, or
14 convenient to the conduct of the purposes, business, and
15 affairs of the university.

16 “BOARD OF TRUSTEES

17 “SEC. 4. (a) The management, direction, and govern-
18 ment of the university shall be vested in a board of trustees
19 (hereafter in this Act referred to as the ‘board’). The by-
20 laws of the university shall provide for the election, num-
21 ber, term of office, residency requirements, qualifications,
22 manner of election, filling of vacancies, and removal of
23 members of the board. The bylaws may provide that mem-
24 bers of the board be elected to terms of office commencing
25 on different dates. The bylaws shall provide for appoint-

1 ment of an executive committee and other committees com-
2 posed of members of the board with any power and au-
3 thority, including any power and authority of the board,
4 provided for in the bylaws of the university.

5 “(b) Each individual who is a member of the board
6 on the date of the enactment of this Act shall continue to
7 serve as a member until the membership termination date
8 applicable to such individual.

9 “(c) No bylaw of the university which establishes
10 qualifications for membership on the board may permit any
11 individual (except the president of the university) to serve
12 as a member of the board during the period in which the
13 individual is serving as an officer, professor, lecturer, teacher,
14 tutor, or employee of the university.

15 “AUTHORITY OF THE BOARD OF TRUSTEES

16 “SEC. 5. (a) The board shall be responsible for the
17 exercise of all powers and the discharge of all duties of the
18 university in a manner consistent with this Act, shall have
19 full authority over all personnel and activities of the univer-
20 sity, and may appoint or elect any person to serve as an
21 officer, professor, lecturer, teacher, tutor, agent, or employee
22 of the university. Any person so appointed or elected may be
23 removed by the board.

24 “(b) The board may, by a vote of two-thirds of the

1 individuals then serving as members of the board, adopt,
2 amend, or repeal any bylaw of the university for—

3 “(1) the conduct of the purposes, business, and
4 affairs of the university, or

5 “(2) the regulation of the internal government of
6 the university.

7 “(c) The board may, by a vote of two-thirds of the
8 individuals then serving as members of the board, vote to
9 merge with any other nonprofit organization.”.

10 SEC. 2. The amendments made by the first section of this
11 Act constitute a complete restatement of the charter of the
12 university and supersede all prior charter provisions con-
13 tained in the Act of February 9, 1821 (6 Stat. 255) and
14 all amendments and supplements thereto, without disturbing
15 the present and continuing corporate status of the university.

94TH CONGRESS
2D SESSION

S. 3796

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 8, 1976

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 provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Park Police force as are given to Federal employees under the General Schedule and to require submittal of a report on the feasibility and desirability of codifying the laws relating to the United States Park Police force.

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

3 PURPOSE

4 SECTION 1. The purpose of this Act is to insure that offi-
5 cers and members of the United States Park Police force
6 are entitled to adjustments in basic compensation in the

II

1 same overall percentage as are other Federal employees
2 within the General Schedule under the Federal pay com-
3 parability system.

4 ADJUSTMENTS IN BASIC COMPENSATION OF OFFICERS AND
5 MEMBERS OF THE PARK POLICE FORCE

6 SEC. 2. Section 501 of the District of Columbia Police
7 and Firemen's Salary Act of 1958 (D.C. Code, sec. 4-833)
8 is amended—

9 (1) by striking out "The rates" and inserting in
10 lieu thereof "(a) Except as provided in subsections (b)
11 and (c), the rates", and

12 (2) by adding at the end thereof the following new
13 subsections:

14 "(b) (1) Effective at the beginning of the first appli-
15 cable pay period commencing on or after the first day of the
16 month in which an adjustment takes effect under section 5305
17 of title 5, United States Code, in the rates of pay under the
18 General Schedule, the annual rate of basic compensation of
19 officers and members of the United States Park Police force
20 shall be adjusted by the Secretary of the Interior by an
21 amount (rounded to the next highest multiple of \$5) equal
22 to the percentage of such annual rate of pay which corre-
23 sponds to the overall percentage (as set forth in the appli-
24 cable report transmitted to the Congress under such section

1 5305) of the adjustment made in the rates of pay under the
2 General Schedule.

3 “(2) No adjustment in the annual rate of basic com-
4 pensation of such officers and members may be made except
5 in accordance with paragraph (1).

6 “(c) Any reference in any law to the salary schedule in
7 section 101 of this Act with respect to officers and members
8 of the United States Park Police force shall be considered to
9 be a reference to such schedule as adjusted in accordance with
10 subsection (b).”

11 REPORT ON THE FEASIBILITY OF CODIFYING LAWS RELAT-
12 ING TO THE PARK POLICE

13 SEC. 3. The Secretary of the Interior shall submit to
14 Congress not later than one year after the date of enactment
15 of this Act a report on the feasibility and desirability of
16 enacting as a part of the United States Code those provisions
17 concerning the powers, duties, functions, salaries, and bene-
18 fits of officers and members of the United States Park Police
19 force which presently are contained in several statutes and
20 are compiled in the District of Columbia Code.

21 EFFECTIVE DATE

22 SEC. 4. The amendments made by this Act shall take
23 effect on October 1, 1976.

1 overall percentage as are other Federal employees within
2 the General Schedule under the Federal pay comparability
3 system.

4 ADJUSTMENTS IN BASIC COMPENSATION OF OFFICERS AND
5 MEMBERS OF THE PARK POLICE FORCE

6 SEC. 2. Section 501 of the District of Columbia Police
7 and Firemen's Salary Act of 1958 (D.C. Code, sec. 4-833)
8 is amended—

9 (1) by striking out "The rates" and inserting in
10 lieu thereof "(a) Except as provided in subsections (b)
11 and (c), the rates" in lieu thereof, and

12 (2) by adding at the end thereof the following new
13 subsections:

14 "(b) (1) Effective at the beginning at the first applicable
15 pay period commencing on or after the first day of the month
16 in which an adjustment takes effect under section 5305 of title
17 5, United States Code, in the rates of pay under General
18 Schedule, the annual rate of basic compensation of officers
19 and members of the United States Park Police force shall
20 be adjusted by the Secretary of the Interior by an amount
21 (rounded to the next highest multiple of \$5) equal to the
22 percentage of such annual rate of pay which corresponds
23 to the overall percentage (as set forth in the applicable report
24 transmitted to the Congress under such section 5305) of the

1 adjustment made in the rates of pay under the General
2 Schedule.

3 “(2) No adjustment in the annual rate of basic com-
4 pensation of such officers and members may be made except
5 in accordance with paragraph (1).

6 “(c) Any reference in any law to the salary schedule
7 in section 101 of this Act with respect to officers and members
8 of the United States Park Police force shall be considered to
9 be a reference to such schedule as adjusted in accordance
10 with subsection (b).”.

11 REPORT ON THE FEASIBILITY OF CODIFYING LAWS

12 RELATING TO THE PARK POLICE

13 SEC. 3. The Secretary of the Interior shall submit to
14 Congress not later than one year after the date of enact-
15 ment of this Act a report on the feasibility and desirability
16 of enacting as a part of the United States Code those provi-
17 sions concerning the powers, duties, functions, salaries, and
18 benefits of officers and members of the United States Park
19 Police force which presently are contained in several statutes
20 and are compiled in the District of Columbia Code.

94TH CONGRESS
2^D SESSION**H. R. 10826**

IN THE SENATE OF THE UNITED STATES

APRIL 13, 1976

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

AN ACT

To amend the Act establishing a code of law for the District of Columbia to prohibit the unauthorized use of a motor vehicle obtained under a written rental or other agreement.

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 826b of the Act entitled "An Act to establish a
4 code of law for the District of Columbia", approved
5 March 3, 1901 (D.C. Code, sec. 22-2204), is amended to
6 read as follows:

7 "SEC. 826b. UNAUTHORIZED USE OF A VEHICLE.—

8 (a) Any person who, without the consent of the owner,
9 shall take, use, operate, or remove or cause to be taken,
10 used, operated, or removed, from a garage, stable, or other

1 building, or from any place or locality on a public or pri-
2 vate highway, park, parkway, street, lot, field, enclosure, or
3 space, a motor vehicle, and operate or drive or cause the
4 same to be operated or driven for his own profit, use, or
5 purpose shall be punished by a fine not exceeding \$1,000
6 or imprisoned not exceeding five years, or both such fine and
7 imprisonment.

8 “(b) (1) It shall be a violation of this subsection for
9 any person, after renting, leasing, or using a motor vehicle
10 under a written agreement which provides for the return of
11 the vehicle to a particular place at a specified time, to know-
12 ingly fail to return the vehicle to such place (or to any au-
13 thorized agent of the party from whom the vehicle was
14 obtained under the agreement), within eighteen days after
15 written demand is made for its return, if the conditions set
16 forth in paragraph (2) are met. Any person who violates
17 this subsection shall be fined not more than \$1,000 or im-
18 prisoned not more than three years, or both.

19 “(2) The conditions referred to in paragraph (1) are
20 as follows:

21 “(A) The written agreement under which the
22 motor vehicle is obtained contains the following state-
23 ment: ‘WARNING—failure to return this vehicle in
24 accordance with the terms of this rental agreement may
25 result in a criminal penalty of up to three years in jail’.

1 Such statement shall be clearly and conspicuously printed
2 in a contrasting color, set off in a box, and signed by the
3 person obtaining the motor vehicle in a space specially
4 provided.

5 “(B) There is clearly and conspicuously displayed
6 on the dashboard of the motor vehicle the following
7 notice: ‘NOTICE—failure to return this vehicle on time
8 may result in serious criminal penalties.’.

9 “(C) The party from whom the motor vehicle was
10 obtained under the agreement makes a written demand
11 for the return of the vehicle, either by actual delivery to
12 the person who obtained the vehicle, or by deposit in the
13 United States mails of a postpaid registered or certified
14 letter, return receipt requested, addressed to such person
15 at each address set forth in the written agreement or
16 otherwise provided by such person. Such written demand
17 shall clearly state that failure to return the vehicle may
18 result in prosecution for violation of the criminal law of
19 the District of Columbia punishable by up to three years
20 in jail. Such written demand shall not be made prior to
21 the date specified in the agreement for the return of the
22 vehicle, except that, if the parties or their authorized
23 agents have mutually agreed to some other date for the
24 return of the vehicle, then such written demand shall not
25 be made prior to such other date.

1 “(3) This subsection shall not apply in the case of a
2 motor vehicle obtained under a retail installment contract as
3 defined in paragraph (9) of the first section of the Act of
4 April 22, 1960 (D.C. Code, sec. 40-901 (9)).

5 “(4) It shall be a defense in any criminal proceed-
6 ing brought under this subsection that a person failed to
7 return a motor vehicle for causes beyond his control. The
8 burden of raising and going forward with the evidence with
9 respect to such defense shall be on the person asserting it.
10 In any case in which such defense is raised, evidence that
11 the person obtained the vehicle by reason of any false state-
12 ment or representation of a material fact, including a false
13 statement or representation regarding his name, residence,
14 employment, or operator's license, shall be admissible to
15 determine whether the failure to return such vehicle was for
16 causes beyond his control.

17 “(c) For the purposes of this section the terms ‘motor
18 vehicle’ and ‘vehicle’ mean any automobile, self-propelled
19 mobile home, motorcycle, truck, truck tractor, truck tractor
20 with semi or full trailer, or bus.”

Passed the House of Representatives April 12, 1976.

Attest; EDMUND L. HENSHAW, JR.

Clerk.

**STATEMENT OF COMER S. COPPIE, SPECIAL ASSISTANT TO THE
MAYOR OF THE DISTRICT OF COLUMBIA FOR BUDGET AND
MANAGEMENT SYSTEMS**

Mr. COPPIE. Good morning, Mr. Chairman. It is a real privilege to be here. I thank you for the opportunity to appear on behalf of Mayor Washington.

Mr. Chairman, I do have a prepared statement pertaining to both H.R. 14971 and S. 3807 that I would like to have incorporated into the record at this point.

The CHAIRMAN. The statement will be printed in the record as though read.

[The prepared statement of Mr. Coppie follows:]

PREPARED STATEMENT OF COMER S. COPPIE, SPECIAL ASSISTANT TO THE MAYOR
FOR BUDGET AND MANAGEMENT SYSTEMS

Mr. Chairman, members of the Committee on the District of Columbia. I am Comer S. Coppie, Special Assistant to the Mayor for Budget and Management Systems. I am appearing before your Committee today on behalf of Mayor Washington to comment on H.R. 14971 and S. 3807.

As you know, H.R. 14971 was introduced June 19, 1976 as H.R. 14594 at the request of the Mayor to amend the District of Columbia Self-Government and Governmental Reorganization Act to provide for an extension of the District's interim borrowing authority from the Treasury of the United States under section 723(a) of the Act. The Mayor also requested an amendment of section 448(4) that would strike out "November 1" and insert in lieu thereof "February 1". This change would alter the date on which the Mayor is required to submit to the Council of the District of Columbia a complete financial statement and report for the preceding fiscal year. Thirdly, certain technical amendments were proposed to correct erroneous references in sections 431 and 434 of the Act dealing with the qualifications for appointment to the Commission on Judicial Disabilities and Tenure and the Judicial Nomination Commission, respectively.

I shall now address in detail the specific provisions of this bill and explain the City's position with respect to each.

Section 1(1) of the bill amends section 723(a) of the Self-Government Act to extend the District's interim authority to borrow funds from the Treasury of the United States to finance capital

- 2 -

improvements projects. Under present laws, the Treasury is authorized to lend to the Mayor only those sums required to complete capital projects for which construction and construction services funds were authorized or appropriated "prior to the effective date of Title IV", i.e., January 2, 1975. The bill reported by the House extends the borrowing authority to cover projects for which funding is authorized or appropriated prior to October 1, 1979.

The Congress included the interim borrowing authority in the Self-Government Act to prevent undue disruption in the District's building and improvement programs during the transition from Treasury borrowing to the municipal bond market as the source of financing the District's capital program. Because of unexpected delays in the development and implementation of the District's bonding authority, an extension of the period in which Treasury loans may be made is vital, otherwise ongoing improvement efforts will be halted and new projects may be delayed. Continuing projects in the District for which financing may not be available include roof and boiler repairs and replacements for the public schools, major repairs to water and sewer mains, installation of new water and sewer mains and fire hydrants, major repairs to city streets and bridges, and streetlighting installations.

After the request to extend the borrowing authority to January 2, 1977 was submitted, it became apparent that the District might not be in a position to issue bonds until sometime after October 1978. That is the earliest date at which an audit of the city's financial reports can be undertaken, according to the schedule set

-3-

forth in the recent report of Arthur Andersen & Co. While the city may be able to issue bonds without audited reports, there is now a great deal of uncertainty concerning the feasibility or desirability of doing so. Without an audited financial statement, the City may have to pay a substantial interest premium for any bonds issued. In addition, future legislation may require that municipal issues have audited financial statements in support of general obligation bond issues. Accordingly, we requested and the House of Representatives agreed to extend the interim borrowing authority at least to October 1, 1979. We now ask this committee to concur in that extension.

Language in the Appropriation Acts for fiscal years 1976 and 1977 authorizes the Mayor to borrow from the U.S. Treasury in order to finance capital projects for which appropriations are authorized in those Acts. Similar language will be requested for the fiscal year 1978 Appropriation Act; however, such language is subject to a point of order, unless section 723(a) of the D. C. Self-Government and Governmental Reorganization Act is amended.

Financing for new projects approved by the District for inclusion in the 1978, 1979, and also 1980 fiscal year budgets may not be available in a timely manner unless the interim borrowing authority is revised and extended as requested. Affected projects include: replacement of Fire Engine Co. #11, modernization of five major high schools, and construction of a prevocational center for the handicapped.

Section 2 of the Bill amends section 448(4) of the Self-Government Act to change the date by which the Mayor must submit to the Council of the

District of Columbia a complete financial statement and report for the preceding fiscal year. Present law requires the submission of such an annual report by November 1 of each fiscal year. The change in the beginning of the fiscal year of the District from July 1 to October 1, effective October 1, 1976, leaves insufficient time for the preparation of the required financial statements and reports. The proposed amendment will conform the reporting requirement with the change in the fiscal year by changing the date of submission from November 1 to February 1 of each fiscal year.

Senate Bill 3807 would amend section 490 of the District of Columbia Self-Government and Governmental Reorganization Act by the addition of a subsection (f) to permit the District to make payments authorized or required to be made pursuant to any act authorizing the issuance of revenue bonds for colleges or universities without further authorization or approval.

This amendment is necessary since proceeds of revenue bonds would be District revenues as set forth in section 103(10) of the Home Rule Act. Without the amendments there would be the necessity of an appropriation, pursuant to section 446 of the Home Rule Act before such proceeds can be expended. Such a procedure is both clumsy and unnecessary in situations where the city is merely acting as a conduit for the issuance of revenue bonds secured by the revenues of a private issuer. Additionally, investors could be expected to be reluctant to purchase bonds, payment on which is subject to appropriation. This amendment would eliminate this obstacle.

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The role of the City in a revenue bond issue for private universities in the District would be two-fold. Initially the Executive Branch would make a preliminary examination of the universities' financing proposal. If the proposal is found to be acceptable, the City Council would be asked to enact authorizing legislation for the bond issue. It should be emphasized that no funds or assets of the District would be pledged to secure this type of bond issue. Although the City would be the nominal issuer of the bonds, all liabilities would rest with the universities. We are currently assessing means for establishing a reimbursement fee to be charged for services provided by the City in connection with a revenue bond issue for the District's private universities.

In summary, adoption of S-3807 would facilitate the issuance of revenue bonds for the District's colleges and universities without any pledge of the District's full faith or credit.

With the recommendations and comments just provided we request your favorable action on these two bills. I would be pleased to answer any questions you may have.

The CHAIRMAN. You may proceed to summarize.

EXTENDS BORROWING AUTHORITY

Mr. COPPIE. Briefly to summarize and highlight H.R. 14971 Mr. Chairman, this legislation would extend the borrowing authority for the city government from the U.S. Treasury of all projects authorized through the 1980 fiscal year.

The significant factor of the extension through 1980, Mr. Chairman, is that because of the problems that have been prominent with regard to financial matters within the city government and because there is some uncertainty with regard to the timing of a city bond sale vis-a-vis the private bond market and because it appears it might be necessary to have a complete audit statement with regard to city finances before we go to the bond market and because Arthur Andersen & Co. has said such a complete statement could not be undertaken until after the completion of the 1979 fiscal year audit and because the 1980 fiscal year budget would be formulated during calendar year 1978 and be released in the fall of 1978 we feel that it is critical to have the extension of this authority through 1980. Consequently, we support H.R. 14971 and the extension of this revenue authority for loan purposes with the U.S. Treasury through the 1980 fiscal year.

Mr. Chairman, later in the hearings I will be glad to answer any questions with regard to this matter.

The CHAIRMAN. Have you finished with H.R. 14971?

Mr. COPPIE. Yes, sir, I have.

ISSUANCE OF BONDS

The CHAIRMAN. Let us do it one at a time. On H.R. 14971: Is it fair to say that had the city gone forward with its intention of issuing District of Columbia bonds you would not have needed this measure—H.R. 14971?

Mr. COPPIE. I think, Mr. Chairman, on the principle of your question that the answer would be yes; and that I think no, the legislation is not unnecessary.

I am assuming we can effectively market the bonds, Mr. Chairman.

The CHAIRMAN. To set the historical perspective of this bill it should be noted that earlier this year we held some rather extensive hearings on the question of whether the District of Columbia government should go forward with its bond proposal.

We reported a disapproval resolution to the floor of the Senate. It was adopted overwhelmingly. The House committee likewise considered it. However, they killed the disapproval resolution and the House committee, ergo, from a technical point of view said the city government could issue bonds today from a practical point of view but with the sound and fury of this committee it has made the issuance of revenue bonds a very unlikely prospect at this time.

That is the reason now for this bill because you, as a practical matter, are not in a position to issue bonds today.

Is that a fair capsule summary?

Mr. COPPIE. That is correct, Mr. Chairman.

The CHAIRMAN. I yield to Senator Mathias.

Senator MATHIAS. Mr. Chairman, I may be a slow learner, but what would have to happen, just so I understand completely, if you were to issue some general obligation bonds not directed at any specific subject?

The CHAIRMAN. I should have said "go on."

Senator MATHIAS. They would have received the proceeds of those bonds and in a separate action loaned them or granted them to specific institutions; if that is what they wanted to do.

Am I right on that, Mr. Coppie?

Mr. COPPIE. I believe not. H.R. 14971 is strictly for District authorized projects that benefit the city government. It is independent of the private sector and the private institutions.

Senator MATHIAS. I am not talking about what would be authorized under this bill. I am talking about what would happen if it had been available in a general way had we gone forward otherwise.

Mr. COPPIE. If we had gone forward, Senator Mathias, the proceeds from the government bond sale would have financed or been financing District of Columbia projects that had been authorized and appropriated by the Congress.

It would only benefit the city government.

Senator MATHIAS. So that this bill is really necessary under any circumstances?

Mr. COPPIE. That is correct, Senator.

Senator MATHIAS. That is the point I wanted to reach.

The CHAIRMAN. We will overhaul the record to so reflect that we are all correct.

Does anyone else here wish to testify on H.R. 14971, a bill to continue Treasury borrowing authority for the District of Columbia? If not, that will conclude the hearing on that measure.

We now proceed to S. 3807 and once again we will hear from Mr. Coppie.

UNIVERSITY REVENUE BONDS

Mr. COPPIE. Mr. Chairman, on Senate bill 3807, to amend section 209 of the District of Columbia self-government charter to allow for the effective marketing of revenue bonds for the public and private colleges and universities in the District of Columbia, the legislation is indispensable to the financing of a revenue-bond project and the city supports Senate bill 3807.

However, I hasten to say Mr. Chairman, that we would like the authority to be more comprehensive and to address all potential revenue projects for the city government.

This addresses the colleges and universities, both public and private but it would be helpful to the city to be given the general authority.

I would like to have the legislative record reflect that on this bill.

The CHAIRMAN. If we find that from a parliamentary point of view, having in mind what action might or might not be taken over in the House of Representatives, if we find that with the constraints of time that the best we can do is to pass this bill zeroing in on colleges and

universities I take it the city would understand the pragmatic parliamentary situation we would be in.

Mr. COPPIE. That is correct, Mr. Chairman.

REVENUE BOND AUTHORITY

The CHAIRMAN. Now, let us go on to the concept that underlies this bill but bearing in mind that earlier this year I had very strong reservations about the District going forward with general obligation bonds and bearing in mind that I still have those reservations here today. For the record, explain how I can square my opposition to general obligation bonds earlier this year with this request for legal authority to issue revenue bonds here today.

Explain it for me on the record, if you please.

Mr. COPPIE. Mr. Chairman, I think the principal distinction is that the revenue bond authority that is given to the city in the charter does not involve the full faith and credit of the District of Columbia Government.

The security for the project would be the proceeds from the project. That would pertain both to the private institutions, in this case the colleges and the universities and pertain to the public institutions, in this case the colleges and the universities.

The CHAIRMAN. You are precisely correct, or to put it another way, whereas general obligation bonds do affect the full faith and credit and the borrowing capacity of the District of Columbia Government, the revenue bonds are pinned to a specific source of revenue and if that source of revenue somehow becomes impaired in the future, the District of Columbia Government does not back up these bonds with its full faith and credit, is that not correct?

Mr. COPPIE. That is correct.

The CHAIRMAN. I yield to Senator Mathias at this time.

Senator MATHIAS. No questions.

The CHAIRMAN. Is that all you are here to testify on today, Mr. Coppie?

Mr. COPPIE. That is all.

The CHAIRMAN. Thank you, very much.

Mr. COPPIE. I would point out in H.R. 14971 there are some technical amendments to the charter incorporated in my statement.

The CHAIRMAN. Are these technical corrections that have to be made in the bill itself?

Mr. COPPIE. No, sir.

The CHAIRMAN. There is no change in the phraseology of the bill? We could pass it as is and not send it back to the House?

Mr. COPPIE. That is correct.

The CHAIRMAN. Thank you.

We will continue now with witnesses on S. 3807. We will call up a panel of three witnesses: Dr. Joseph Sisco, president, American University, Rev. John P. Whalen, executive director of Consortium of Universities and Mr. James L. Hudson, bond counsel.

I welcome these three witnesses, and a special welcome to my erstwhile neighbor, Mr. Sisco.

Mr. Sisco, will you begin?

STATEMENT OF DR. JOSEPH SISCO, PRESIDENT, AMERICAN UNIVERSITY, ACCOMPANIED BY REV. JOHN P. WHALEN, EXECUTIVE DIRECTOR, CONSORTIUM OF UNIVERSITIES; JAMES L. HUDSON, BOND COUNSEL; AND FRED PRAGER, BANK OF AMERICA, SAN FRANCISCO, CALIF.

AMERICAN UNIVERSITY HAS IMMEDIATE BUILDING PLANS

Dr. Sisco. Mr. Chairman, I need only make one very brief comment since Father Whalen has submitted to the committee a full statement on our behalf and on behalf of the consortium and I am here on their behalf.

I want to make one statement that is particularly relevant to American University. From our own point of view we have very immediate plans to begin building a new library on the campus. I merely want to underscore that from the point of view of the American University that while we appreciate the committee's early consideration on this matter and that if adopted and if it goes through the District Government, that our university would be availing itself of this route at a very, very early date.

The CHAIRMAN. Let us have each of the four witnesses make such opening statement as they may desire and I am addressing myself to whoever is on the panel best qualified to speak to it.

Father Whalen?

TECHNICAL DIFFICULTY IN THE HOME RULE CHARTER

Reverend WHALEN. As you know, there is a technical difficulty in the Home Rule Charter that prevents individual issuers to issue because of the definition in the Charter of what is construed to be revenue.

Revenue is defined to be all income to the District that comes from taxes, bonds, and any other sources.

This revenue then has to be appropriated by an act of the City Council. It has to be later reviewed and approved or disapproved by the Congress.

This would mean any debt issued by any private issuer such as a college and university would be caught up in the appropriations process which means that we would then put up security for a debt.

These are revenues which we might never get if the City Council did not appropriate it and you did not approve of the appropriation here. What we are asking is a technical change in the Charter to, in effect, allow us to use the authorization under section 490 to issue such debt.

It means a great deal to private colleges and universities in a time of financial stress to have means of borrowing that is less than at commercial rates and it is estimated that we would be able, given our audited financial statements and our financial position, to borrow on the public market at rates that are considerably less than the commercial rate.

We would ask your favorable consideration, Mr. Chairman and committee of our request.

The CHAIRMAN. Thank you, Reverend Whalen.

Mr. HUDSON?

Mr. HUDSON. I have no statement.

The CHAIRMAN, Sir, would you identify yourself for the record, please?

Mr. PRAGER. Fred Prager. I am a financial consultant with the Bank of America in San Francisco.

We see ourselves as experts in the matter of university financing.

LEGISLATION IMPORTANT TO UNIVERSITIES

The CHAIRMAN. Thank you, gentlemen. I do have a couple of questions.

Let me ask specifically of Dr. Sisco this question.

How important is this piece of legislation insofar as the future well-being of American University is concerned? That is specifically as to American University. I will ask Father Whalen how imperative it is to any other universities or colleges in the consortium.

Dr. Sisco. It is the very key from our point of view. We have plans for building a library—the ground to be broken hopefully very early in 1977.

We have construction plans drawn. We are at the point where we would wish to put the bid on the open market with a view to determining who will actually build the library.

The need for the funds therefore, or the issuance of the tax exempt bonds are quite immediate from our point of view simply because of the fact of the time schedule I have indicated and very favorable and early consideration of this will be most helpful to American University.

The CHAIRMAN. Father Whalen?

Reverend WHALEN. Mr. Chairman, two points of view. One is that a number of the other members of the consortium of universities have campus plans that call for additional building.

We have done some arithmetic as to how much we anticipate we might save on a 30-year issuance of debt if we have the tax exempt privilege and on a \$10 million issue over 30 years it saves in excess of \$3 million in interest which is a major factor in private university financing.

The CHAIRMAN. Is it fair to say to the other members of the consortium—Georgetown, Catholic University, that it is imperative insofar as their immediate future is concerned as it is for Dr. Sisco?

Reverend WHALEN. Doctor Elliott, who is here to speak for George Washington, can answer that. Georgetown has already planned and wishes to go forward with and will go forward with an athletic facility that will cost about \$10 million if favorable action is taken.

The CHAIRMAN. I am not trying to demean your testimony. Is an athletic facility a matter of compelling need?

Reverend WHALEN. It really is at Georgetown.

The CHAIRMAN. Doctor Elliott: How important is this measure insofar as George Washington is concerned?

STATEMENT OF DR. LLOYD ELLIOTT, PRESIDENT, THE GEORGE WASHINGTON UNIVERSITY, ACCOMPANIED BY ELWOOD DAVIS, ATTORNEY, REASONER, DAVIS & VINSON

NEED NEW ACADEMIC FACILITIES

Dr. ELLIOTT. We need new academic facilities for our school of government and business administration; additional facilities for the school of engineering and some new facilities for the departments of music and the arts and we see this as a way of getting these facilities perhaps 5 to 10 years earlier than would otherwise be the case.

There is an immediate use for this vehicle at our institution.

The CHAIRMAN. Father Whalen?

Reverend WHALEN. As to Catholic University—there is a plan for an addition to the library that will run about \$12 million. That is an imperative need, Mr. Chairman.

The CHAIRMAN. I will ask this question of either Mr. Hudson or our friend from the Bank of America, a two part question.

DISTRICT OF COLUMBIA NOT RESPONSIBLE FOR UNIVERSITY BONDS

What specific revenue, if any, would be earmarked at these various universities to support these revenue bonds? That is the first question.

Mr. PRAGER. It depends. It is a function of the credit standing of each individual college.

The CHAIRMAN. That is there is no specific revenue designated; it is not tuition revenue or the sport fees or what have you. It is pegged to the entire revenue sources of the university?

Mr. PRAGER. We can take it case by case if you like. In the case of Georgetown we might earmark a certain student fee.

The CHAIRMAN. When you say you might earmark, explain that.

Mr. PRAGER. We are looking at that possibility in the case of perhaps The George Washington University. We might have the intervention of the general credit standing of the university with no specific fee involved.

In case of American, you might look to a library fee or an addition of the earning credit, to go perhaps to a mortgage or lien on the project being built.

It is simply a function of the strength of each individual college and each has to be taken on its own merits.

Your point was underscored earlier in that they will not at all be a function of the credit of the District of Columbia which might be reinforced.

The CHAIRMAN. My question is that and I want to underscore on the record with all four witnesses testifying to it. Is it your firm understanding that if we enact S. 3807 and if bonds are issued pursuant to it, that there is absolutely no circumstances or set of conditions under which the District of Columbia in any way would be responsible to back up these bonds?

Reverend WHALEN. That is correct.

Mr. HUDSON. That is correct.

Dr. SISCO. That is correct.

The CHAIRMAN. Senator Mathias?

Senator MATHIAS. No questions.

The CHAIRMAN. Is there anyone else here present that wishes to testify with respect to S. 3807?

RESTATE THE CHARTER OF THE GEORGE WASHINGTON UNIVERSITY

Hearing none, that will conclude our hearing on that measure. We will now proceed to S. 3818, to restate the charter of The George Washington University.

We have Doctor Elliott who testified in brief on the previous bill as well as Mr. Elwood Davis of the firm of Reasoner, Davis & Vinson. Doctor Elliott?

Dr. ELLIOTT. Thank you, Mr. Chairman.

Mr. Chairman, I have a prepared statement which I shall summarize briefly if I may.

Mr. Chairman, I appear before you today in support of S. 3818 which was introduced by you on September 15, 1976.

A virtually identical bill, H.R. 15501, was introduced in the House of Representatives on September 9, 1976. The Judiciary Subcommittee of the House of Representatives Committee on the District of Columbia held a hearing on H.R. 15501 on September 14, 1976 and has recommended favorable action on the bill.

This bill has as its object the complete restatement of The George Washington University charter so as to provide the university with a more adequate and flexible modern corporate charter.

The Congress of the United States, on February 9, 1821, enacted the initial statute which created the major national university in the Nation's Capital, now known as The George Washington University.

In 1821, the university was known as "Columbian College." On January 23, 1904, the name was changed to "The George Washington University."

The original charter was amended eight times: 1871, 1873, 1893, 1898, 1904, 1905, and 1970.

The primary purpose of S. 3818 is to confer upon the governing body of the university a modern comprehensive charter. For example, the present charter requires that the majority of the members of the board of trustees be residents of the District of Columbia.

It is in the interest of the university that the best qualified trustees be elected without regard to their place of residence.

Section 4(a) of the bill provides in part, that the bylaws of the university shall provide for residency requirements of trustees.

The change is consistent with general corporate laws, including that of the District of Columbia, which do not require trustees of non-profit corporations to be residents of any particular jurisdiction.

This bill also accomplishes the university's wishes to preserve the long-standing and important historical significance of the university's status as a national university organized in 1821 by an act of Congress of the United States.

The basic overall changes contained in S. 3818 are to consolidate the original charter and all amendments into a single, simple document, and to provide sufficient flexibility so that the university's

normal processes of change may be accomplished without any foreseeable need for future legislative action.

If S. 3818 had been the university's original charter, then none of the eight amendments to the act of 1821 would have been required.

THE GEORGE WASHINGTON UNIVERSITY

Before closing, I would suggest a minor amendment to the bill, as printed. For a great number of years the university has been known as "The George Washington University." In S. 3818, as printed, the word "The" would be deleted as part of the university's name.

We request that the name of the university in S. 3818 be established as "The George Washington University" and that the title of the bill and section 1, therefore, be so amended.

Thank you for this opportunity to appear before you.

Mr. Davis and I will be happy to answer any questions or comments that you have. We ask favorable consideration of this bill.

The CHAIRMAN. Mr. Davis, do you have something you wish to add to the subject matter?

Mr. DAVIS. Mr. Chairman, Mr. Harris and I have talked about the fact that we would like to have capitalized the "The" in George Washington University; in other words, "The George Washington University."

The CHAIRMAN. Any housekeeping matters, punctuation and so forth will be taken care of.

Are you a Philadelphia lawyer by any chance?

Mr. DAVIS. No, sir. I understand that we are having trouble with the Government Printing Office.

Senator MATHIAS. Mr. Chairman, Mr. Davis is a very distinguished member of the bar here.

The CHAIRMAN. Lives in Maryland?

Senator MATHIAS. I think his reputation and standing before the bar even exceed that of Philadelphia lawyers.

Mr. DAVIS. Thank you, Senator.

The CHAIRMAN. Any other questions?

Senator MATHIAS. No questions.

The CHAIRMAN. Dr. Elliott's prepared statement will appear at this point in the record.

[The prepared statement follows:]

STATEMENT OF LLOYD H. ELLIOTT,
PRESIDENT OF THE GEORGE WASHINGTON UNIVERSITY
IN SUPPORT OF S. 3818, SEPTEMBER 22, 1976

Mr. Chairman, I am Lloyd H. Elliott, President of The George Washington University; and I appear before you today in support of S. 3818, which was introduced on September 15, 1976 by Mr. Eagleton.

A virtually identical bill, H.R. 15501, was introduced in the House of Representatives on September 9, 1976. The Judiciary Subcommittee of the House of Representatives Committee on the District of Columbia held a hearing on H.R. 15501 on September 14, 1976, and has recommended favorable action on the bill.

This bill has as its object the complete restatement of The George Washington University charter so as to provide the University with a more adequate and flexible modern corporate charter.

The Congress of the United States on February 9, 1821, enacted the initial statute, which created the major national university in the nation's capital, now known as The George Washington University. In 1821, the University was known as "Columbian College". On January 23, 1904, the name was changed to "The George Washington University". The original charter was amended eight times -- 1871, 1873, 1878, 1893, 1898, 1904, 1905, and 1970.

The primary purpose of S. 3818 is to confer upon the governing body of the University a modern comprehensive charter. For example, the present charter requires that the majority of the members of the Board of Trustees be residents of the District of Columbia. It is in the interest of the University that the best qualified Trustees be elected without regard to their place of residence. Sec. 4(a) of the bill provides in part that the by-laws of the University shall provide for residency requirements of Trustees. The change is consistent with general corporate laws, including that of the District of Columbia, which do not require Trustees of nonprofit corporations to be residents of any particular jurisdiction. See, e.g., 29 D.C. Code § 1018 (1973 Ed.)

This bill also accomplishes the University's wishes to preserve the long-standing and important historical significance of the University's status as a national university organized in 1821 by an Act of Congress of the United States.

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The basic overall changes contained in S. 3818 are to consolidate the original charter and all amendments into a single, simple document, and to provide sufficient flexibility so that the University's normal processes of change may be accomplished without any foreseeable need for future legislative action. If S. 3818 had been the University's original charter, then none of the eight amendments to the Act of 1821 would have been required.

Before closing, I would suggest a minor amendment to the bill as printed. For a great number of years the University has been known as "The George Washington University". In S. 3818, as printed, the word "The" would be deleted as part of the University's name. We request that the name of the University in S. 3818 be established as "The George Washington University" and that the title of the bill and Section 1 thereof be so amended.

Thank you for this opportunity to appear before you.

The CHAIRMAN. I have no questions on the subject matter. Is there anyone else here who wishes to testify on S. 3818? If not, that will conclude the hearing on that measure.

U.S. PARK POLICE COMPARABILITY PAY

We will now proceed to H.R. 15276 and S. 3796 to grant the U.S. Park Police the cost-of-living increase given other Federal workers.

We will call up a group of witnesses consisting of Mr. Edward Donnelly, Associate Director of Administration, National Capital Parks, accompanied by Chief Jerry Wills, U.S. Park Police; Rick Robbins, Associate Solicitor for the National Capital Parks; Mr. Chuck Stebins and others, for the International Conference of Police Associations.

Senator MATHIAS. While the witnesses are coming to the table I will submit for the record a brief statement which deals with both S. 3807 and S. 3796.

The CHAIRMAN. Without objection, it will be placed in the record at this point.

[The document referred to follows:]

STATEMENT OF SENATOR CHARLES McC. MATHIAS, JR.
SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA
HEARINGS ON S. 3796 and S. 3807
September 22, 1976

Prior to 1974 Congress adopted salary increases for the Metropolitan Police Department in the District of Columbia and these increases were also granted to the United States Park Police. When we adopted the District of Columbia Home Rule Act, and subsequent amendments, a procedure was established for negotiation of pay increases for the Metropolitan Police by the Mayor, subject to final action by the D. C. City Council. No specific action was taken to separate the pay scales of the U. S. Park Police from those of the Metropolitan Police. As a result, pay rates for federal employees under the jurisdiction of the Department of Interior are now effectively established by the locally elected officials in the District of Columbia.

Under the procedures established by the Home Rule Act, the unions representing the Metropolitan Police and D. C. Firefighters engage in negotiations with the city for salary increases. The U. S. Park Police are, however, not represented in these negotiations. Therefore, we now have a situation where federal employees not only have their salaries determined by local officials, but there is no representation for those federal employees in the negotiation process.

The responsibilities of the U. S. Park Police are primarily to protect the visitors who come from all across the nation to visit our national monuments. While most of the U. S.

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Park Police serve in the National Capital Area, they are also assigned to protect certain federal properties in seven other states including New York, New Jersey, California, Utah, Texas, Iowa, and Massachusetts. Of the 461 sworn officers in the U. S. Park Police, 104 are assigned to locations entirely outside of the National Capital Region. It is simply an accident of history that the salary levels for these men and women who serve the federal government are tied to local budgetary decisions in the District of Columbia.

S. 3796 and H. R. 15276 would put the officers of the U.S. Park Police force under the federal pay comparability system and direct the Secretary of Interior to submit a report within one year on the feasibility of codifying provisions relating to the Park Police in the U. S. Code. In light of the D. C. Police and Firemans Salary Act Amendments of 1975, adopted by the City Council and cleared by Congress on June 19, 1976, the legislation before us today would not change the salary increases anticipated for October 1 of this year. For future years, however, this legislation would make it clear that the pay scales for certain federal employees will be removed from the local budgetary process. In addition, the study by the Secretary of Interior should provide valuable information that can guide the 95th Congress in reviewing what additional steps might be appropriate to clarify the status of federal police officers in the National Capital area.

Since 1791 the Park Police have been on duty in the

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Federal parks establishing an outstanding record of service to the entire nation. I am hopeful that S.3796 can receive favorable consideration prior to the end of this session.

S. 3807

Private colleges and universities are able to issue tax-exempt bonds through State and Local governments all across the United States. Because of the important public purpose served by institutions of higher learning, their use of the tax exempt privilege has long been accepted.

This principle was incorporated in the District of Columbia Home Rule Act, and S. 3807 would provide a technical amendment to allow the proceeds of revenue bonds issued on behalf of colleges and universities to to be paid directly rather than be subject to the appropriations process. This legislation would not involve any cost to the District of Columbia and will help local institutions of higher learning to continue and expand their contributions to the Nation's Capital.

As a cosponsor of S. 3807, I am hopeful that the Committee and the full Senate will act favorably on this matter prior to the end of the 94th Congress.

STATEMENT OF EDWARD DONNELLY, ASSOCIATE DIRECTOR OF ADMINISTRATION, NATIONAL CAPITAL PARKS, DEPARTMENT OF INTERIOR, ACCOMPANIED BY ROBERT GORDON, SECRETARY, INTERNATIONAL CONFERENCE OF POLICE ASSOCIATIONS; JOEL FINKELSTEIN, COUNSEL, POLICEMEN'S ASSOCIATION FOR THE DISTRICT OF COLUMBIA; CHARLES R. STEBBINS, LEGISLATIVE REPRESENTATIVE, POLICE ASSOCIATION OF THE DISTRICT OF COLUMBIA; AND LOUIS P. ROBBINS, PRINCIPAL ASSISTANT CORPORATION COUNSEL, DISTRICT OF COLUMBIA GOVERNMENT

The CHAIRMAN. Go ahead, Mr. Donnelly.

Mr. DONNELLY. Mr. Chairman, Chief Wills at the very last minute this morning could not appear with me.

We have a prepared statement, Mr. Chairman, which is not too lengthy and I shall run through it.

COST-OF-LIVING ADJUSTMENTS

I appreciate the opportunity to appear before you today to discuss amendment of the District of Columbia Police and Fireman's Act of 1958, which will provide for the same cost-of-living adjustment in the basic compensation of officers and members of the U.S. Park Police force as are given to Federal employees under the general schedule.

Since 1958, the U.S. Park Police, who are Federal employees within the Department of the Interior, have, by law, been entitled to the same rates of basic compensation as those of the officers and members of the Metropolitan Police force of the District of Columbia.

Prior to the enactment of the District of Columbia Home Rule bill, all increases in such rates of basic compensation have been granted by Congress. However, now with the granting of home rule to the District of Columbia, the salaries of members and officers of the Metropolitan Police force are under the control of the District of Columbia Council and any increases are provided in accord with laws applicable to the District including a requirement for negotiation between the District of Columbia and the union representing the Metropolitan Police with respect to such increases.

PARK POLICE HAVE NO INPUT IN NEGOTIATIONS

Neither the U.S. Park Police nor the union representing its officers and members are entitled to participate in these negotiations.

Also, the Park Police have no input into any final action of the Council granting any such increases.

Therefore, the U.S. Park Police now must look to the District of Columbia for any salary increases. While the Comptroller General ruled that the U.S. Park Police are entitled to salary increases granted to the Metropolitan Police by the District on January 1, 1976, he has, citing an apparent legislative authority inconsistency, specifically withheld judgment on another increase for the Metropolitan Police which the District has passed to become effective in October 1976.

Accordingly, the question of whether the U.S. Park Police will receive increases scheduled to be granted the Metropolitan Police in October of this year is very much an open question.

CLARIFY PAY AND BENEFITS PROBLEM

In the past few months, we have reviewed a number of proposed legislative documents to clarify this pay and related benefits problem.

We believe that S. 3796 will provide that method, as does the companion bill, H.R. 15276, which recently cleared the House of Representatives.

In this manner, U.S. Park Police officers and members will receive adjustments in their basic compensation which classified civil service employees receive under Federal pay comparability cost-of-living increases.

We fully support this provision, as contained in S. 3796, and as contained in H.R. 15276, and seek your approval of this legislation.

In addition to these provisions, we also recognize that certain benefits such as medical services, retirement, et cetera, remain under the control of the District of Columbia.

In recognition of the complexity of these issues, S. 3796 provides that the Secretary of the Interior, within 1 year from date of enactment of this legislation, will review and report on the feasibility and desirability of enacting these provisions into the United States Code. We believe this provision is desirable and recommend its inclusion in S. 3796.

We shall be pleased to try to answer any questions that you may have.

Thank you.

TIED TO COST-OF-LIVING INCREASES OF FEDERAL EMPLOYEES

The CHAIRMAN. Is it a fair summary to say, Mr. Donnelly, the bill you are espousing would make the salary scales and increases in income for the Park Police commensurate with what is being done for the District of Columbia Metropolitan Police Department and other law enforcement agencies in the District?

Mr. DONNELLY. No; it would not. It would be, in effect, tied to the comparability cost-of-living increases as provided by the Congress to Federal employees.

The CHAIRMAN. It is my understanding that the District of Columbia Council has done exactly that same thing with respect to the Metropolitan Police Department members, is that not correct?

Mr. DONNELLY. That is correct.

Excuse me, Mr. Robbins would like to comment on that for a moment.

COMPTROLLER GENERAL HAS WITHHELD JUDGMENT

Mr. ROBBINS. The City Council has, in fact, passed an act that would grant such increases to the Metropolitan Police.

However, the Comptroller General pursuant to a request made on behalf of the Department of Interior has refused to rule on whether Park Police would be granted those increases that were granted to the Metropolitan Police.

The Comptroller has cited an inconsistency in the action of the District of Columbia Council insofar as the law relating to the Council requiring yearly union negotiations; whether or not the Council is free to grant an escalator clause tying it into the Federal General Schedule in lieu of yearly union negotiations.

The Comptroller General with respect to the Park Police has withheld judgment as to whether or not the Park Police would be entitled to all benefits under the City Council Act.

The CHAIRMAN. With that caveat, the caveat being the Comptroller General and other opinions he might issue: Is it fair to say what you gentlemen are seeking here this morning is, if all works out well, the law enforcement personnel that are operating in the District of Columbia, that is, the District of Columbia Metropolitan Police, the Park Police, the Capitol Police, et cetera, would be roughly comparable insofar as pay and cost-of-living is concerned? Is that a fair statement?

Mr. ROBBINS. That is my understanding.

The CHAIRMAN. That is what I thought.

RETIREMENT KICKERS

Well, let me ask this: Is there any what is sometimes called a "kicker" in this proposal? I am opposed to "kickers." A "kicker" is a 1-percent "kicker" for social security.

Senator MATHIAS. It used to be.

The CHAIRMAN. Although it sounds harmless, a 1-percent "kicker" can have staggering financial implications.

Is there anything remotely related to a "kicker" in this measure insofar as the Park Police are concerned?

Mr. ROBBINS. No, sir, Mr. Chairman. It would merely grant the same overall percentage increase to the Park Police as that percentage granted to the Federal employees under the General Schedule.

The CHAIRMAN. Mr. Stebbins, did you have anything to say?

Mr. STEBBINS. Mr. Chairman, I offer my statement in writing that has already been submitted.

The CHAIRMAN. All the prepared statements concerning S. 3796 and H.R. 15276 will now be placed in the record.

[The prepared statements referred to follow:]

STATEMENT OF EDWARD J. DONNELLY, ASSOCIATE DIRECTOR, ADMINISTRATION, NATIONAL CAPITAL PARKS, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA.

SEPTEMBER 22, 1976

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I AM EDWARD J. DONNELLY, ASSOCIATE DIRECTOR, ADMINISTRATION, NATIONAL CAPITAL PARKS, NATIONAL PARK SERVICE. I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO DISCUSS AMENDMENT OF THE DISTRICT OF COLUMBIA POLICE AND FIREMAN'S ACT OF 1958, WHICH WILL PROVIDE FOR THE SAME COST-OF-LIVING ADJUSTMENTS IN THE BASIC COMPENSATION OF OFFICERS AND MEMBERS OF THE UNITED STATES PARK POLICE FORCE AS ARE GIVEN TO FEDERAL EMPLOYEES UNDER THE GENERAL SCHEDULE.

SINCE 1958, THE UNITED STATES PARK POLICE, WHO ARE FEDERAL EMPLOYEES WITHIN THE DEPARTMENT OF THE INTERIOR, HAVE BY LAW BEEN ENTITLED TO THE SAME RATES OF BASIC COMPENSATION AS THOSE OF THE OFFICERS AND MEMBERS OF THE METROPOLITAN POLICE FORCE OF THE DISTRICT OF COLUMBIA. PRIOR TO THE ENACTMENT OF THE DISTRICT OF COLUMBIA HOME RULE BILL, ALL INCREASES IN SUCH RATES OF BASIC COMPENSATION HAVE BEEN GRANTED BY CONGRESS. HOWEVER, NOW WITH THE GRANTING OF HOME RULE TO THE DISTRICT OF COLUMBIA, THE SALARIES OF MEMBERS AND OFFICERS OF THE METROPOLITAN POLICE FORCE ARE UNDER THE CONTROL OF THE DISTRICT OF COLUMBIA COUNCIL

AND ANY INCREASES ARE PROVIDED IN ACCORD WITH LAWS APPLICABLE TO THE DISTRICT INCLUDING A REQUIREMENT FOR NEGOTIATION BETWEEN THE DISTRICT OF COLUMBIA AND THE UNION REPRESENTING THE METROPOLITAN POLICE WITH RESPECT TO SUCH INCREASES. NEITHER THE UNITED STATES PARK POLICE NOR THE UNION REPRESENTING ITS OFFICERS AND MEMBERS ARE ENTITLED TO PARTICIPATE IN THESE NEGOTIATIONS. ALSO, THE PARK POLICE HAVE NO INPUT INTO ANY FINAL ACTION OF THE COUNCIL GRANTING ANY SUCH INCREASES.

THEREFORE, THE UNITED STATES PARK POLICE NOW MUST LOOK TO THE DISTRICT OF COLUMBIA FOR ANY SALARY INCREASES. WHILE THE COMPTROLLER GENERAL RULED THAT THE UNITED STATES PARK POLICE ARE ENTITLED TO SALARY INCREASES GRANTED TO THE METROPOLITAN POLICE BY THE DISTRICT ON JANUARY 1, 1976, HE HAS, CITING AN APPARENT LEGISLATIVE AUTHORITY INCONSISTENCY, SPECIFICALLY WITHHELD JUDGMENT ON ANOTHER INCREASE FOR THE METROPOLITAN POLICE WHICH THE DISTRICT HAS PASSED TO BECOME EFFECTIVE IN OCTOBER 1976. ACCORDINGLY, THE QUESTION OF WHETHER THE UNITED STATES PARK POLICE WILL RECEIVE INCREASES SCHEDULED TO BE GRANTED THE METROPOLITAN POLICE IN OCTOBER OF THIS YEAR IS VERY MUCH AN OPEN QUESTION.

IN THE PAST FEW MONTHS, WE HAVE REVIEWED A NUMBER OF PROPOSED LEGISLATIVE DOCUMENTS TO CLARIFY THIS PAY AND RELATED BENEFITS PROBLEM. WE BELIEVE THAT S. 3796 WILL PROVIDE THAT METHOD, AS DOES THE COMPANION BILL, H.R. 15276, WHICH RECENTLY CLEARED THE HOUSE OF REPRESENTATIVES. IN THIS MANNER, UNITED STATES PARK POLICE OFFICERS AND MEMBERS WILL RECEIVE ADJUSTMENTS IN THEIR BASIC COMPENSATION WHICH CLASSIFIED CIVIL SERVICE EMPLOYEES RECEIVE UNDER FEDERAL PAY COMPARABILITY COST-OF-LIVING INCREASES.

WE FULLY SUPPORT THIS PROVISION, AS CONTAINED IN S. 3796, AND AS CONTAINED IN H.R. 15276, AND SEEK YOUR APPROVAL OF THIS LEGISLATION.

IN ADDITION TO THESE PROVISIONS, WE ALSO RECOGNIZE THAT CERTAIN BENEFITS SUCH AS MEDICAL SERVICES, RETIREMENT, ETC. REMAIN UNDER THE CONTROL OF THE DISTRICT OF COLUMBIA. IN RECOGNITION OF THE COMPLEXITY OF THESE ISSUES, S. 3796 PROVIDES THAT THE SECRETARY OF THE INTERIOR, WITHIN ONE YEAR FROM DATE OF ENACTMENT OF THIS LEGISLATION, WILL REVIEW AND REPORT ON THE FEASIBILITY AND DESIRABILITY OF ENACTING THESE PROVISIONS INTO THE UNITED STATES CODE.

WE BELIEVE THIS PROVISION IS DESIRABLE AND RECOMMEND ITS INCLUSION
IN S. 3796.

I WILL BE PLEASED TO ANSWER ANY QUESTIONS THAT YOU OR OTHER
MEMBERS OF THE COMMITTEE MAY HAVE.

**Police Association
of the District of Columbia**
WASHINGTON, D. C.

Phone: Area 202
544-6011

Charter Member International Conference of Police Associations



1241 PENNSYLVANIA AVENUE, S. E.
WASHINGTON, D. C. 20003

September 1976

STATEMENT OF

CHARLES R. STEBBINS III
LEGISLATIVE REPRESENTATIVE
POLICE ASSOCIATION OF THE DISTRICT OF COLUMBIA

HEARING BEFORE THE
SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA

ON

S 3796

FEDERAL PAY COMPARABILITY FOR THE
UNITED STATES PARK POLICE FORCE

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, FOR THE RECORD MY NAME IS CHARLES R. STEBBINS III AND I AM A MEMBER OF THE UNITED STATES PARK POLICE. TODAY I AM TESTIFYING AS A LEGISLATIVE REPRESENTATIVE OF THE POLICE ASSOCIATION OF D.C.

IT WOULD, I FEEL, BE MOST APPROPRIATE TO STATE AT THIS TIME THAT I AM A SECOND GENERATION UNITED STATES PARK POLICE EMPLOYEE. MY FATHER, CHARLES R. STEBBINS, JR., HAS BEEN A MEMBER OF THE PARK POLICE FOR OVER TWENTY-SIX YEARS, WHILE I HAVE JUST OVER SIX YEARS OF ACTIVE SERVICE. TOGETHER MY FATHER'S FAMILY REPRESENTS 32 PLUS YEARS OF SERVICE. DURING THESE THIRTY-TWO YEARS MY FATHER AND I HAVE SEEN THE SALARIES OF ALL SECTORS OF THE WORK FORCE THROUGHOUT THIS WONDERFUL COUNTRY INCREASE AT A STEADY EVEN PACE WHILE MEMBERS OF THE UNITED STATES PARK POLICE HAVE RECEIVED ONLY A PORTION OF THE INCREASES, BELATEDLY. WE ALL MUST REALIZE THAT THE RATE OF INFLATION AFFECTS THAT BUYING POWER IMMEDIATELY AND THAT A PIECE MEAL PAY ADJUSTMENT EVERY TWO OR THREE YEARS, BUT ONLY ANTAGONIZES THOSE AFFECTED. THOSE PERSONS HAVE NOT ONLY BEEN DENIED A JUST DUE INCREASE BUT HAVE HAD TO MAKE DO WITH FAR LESS THAN HIS OR HER PEERS. MANY OF YOU, I AM SURE, HAVE BEEN SPARED THE EXPERIENCE OF THE PERPETUAL ABSENCE OF YOUR FATHER AS HE ATTEMPTS TO UPHOLD THE LAWS ESTABLISHED BY THE LEGISLATORS, AND THEN MAINTAIN A SECOND JOB JUST TO UPHOLD HIS PRIDE AND FAMILY. I WOULD VENTURE TO SAY THAT OUT OF THE TWENTY-SIX YEARS OF SERVICE THAT MY FATHER HAS HAD THAT THERE MAY HAVE BEEN A TOTAL OF TEN TO TWELVE MONTHS OF FAMILY-ORIENTED ACTIVITIES. THE EVERYDAY STRESSES FOUND IN A POLICE FAMILY ARE SECOND TO NONE. I KNOW OF NO BETTER WAY TO PRESENT THIS THAN AS IS FOUND IN THE BOOK "MY DADDY IS A POLICEMAN", BY ELIZABETH ANN DOLL, A COPY OF WHICH

2.

HAS BEEN GIVEN TO EACH OF YOU.

I WOULD LIKE TO BRING TO YOUR ATTENTION ONLY A PORTION OF THE WORK THAT HAS GONE INTO THE LEGISLATION PRESENTED HERE TODAY.

IN LATE 1974, CHIEF WELLS OF THE UNITED STATES PARK POLICE ATTEMPTED THROUGH NATIONAL CAPITAL PARKS, TO OBTAIN NEEDED LEGISLATION TO STABILIZE THE SALARIES OF HIS MEN, AND TO INSURE A COMPETITIVE MEANS TO RETAIN HIS PERSONNEL. THERE WAS NEVER ANY POSITIVE RESPONSE FROM THE NATIONAL CAPITAL PARKS. IN MAY OF 1975, THE POLICE ASSOCIATION REALIZING THE DILEMMA OF CHIEF WELLS AND THE NEEDS OF THE OFFICERS BEGAN PROCEEDINGS TO ALLEVIATE THESE PROBLEMS THROUGH LEGISLATIVE MEANS.

THROUGH MANY HOURS OF CONFERENCES AND PERSONAL CONTACTS WITH LEGISLATIVE ASSISTANTS, THREE DIFFERENT BILLS HAVE EMERGED, EACH WITH THE SAME BASIC CONCEPT, HOWEVER CONTAINING DIFFERENT MEANS BY WHICH TO SOLVE THESE PROBLEMS. OF SPECIAL INTEREST IS THE CONCERN EXPRESSED BY MANY OF YOUR COLLEAGUES THAT FEDERAL EMPLOYEES ARE BEING CONTROLLED BY A LOCAL CITY GOVERNMENT. IN FACT, I DON'T BELIEVE THAT THERE CAN BE FOUND ANY OTHER FEDERAL AGENCY WITH EMPLOYEES LOCATED THROUGHOUT THIS GREAT COUNTRY THAT DOES NOT HAVE CONTROL OVER THEIR EMPLOYEES.

I FEEL, AS DO MANY OTHERS, THAT WITH A STABILIZATION OF THE PAY THROUGH AN AUTOMATIC COST OF LIVING, WE CAN THEN ADDRESS THE MORE COMPLEX PROBLEM OF COMPLETELY REMOVING THE LEGISLATION FOUND IN THE D.C. CODE GERMANE TO THE UNITED STATES PARK POLICE AND REPLACING THE SAME WITHIN THE PARAMETERS OF THE U.S. CODE.

CONGRESSMAN ZEFERETTI AND MR. JOEL FINKELSTEIN HAVE BROUGHT TO YOUR ATTENTION THE HISTORY AND NEED FOR THIS LEGISLATION.

3.

I CAN ONLY HOPE TO IMPRESS UPON THIS COMMITTEE THE NEED FOR SUCH LEGISLATION AND HOW ITS EFFECTS WILL BE FELT THROUGHOUT THIS COUNTRY. IT IS KNOWN THAT THERE IS AN EVER-INCREASING NEED FOR NATIONAL PARKS TO BENEFIT ALL THE CITIZENS OF OUR NATION, IN ORDER TO PROVIDE THESE NATIONAL PARKS AND THEN TO MAINTAIN THEM FOR THE ENJOYMENT OF THE PRESENT AS WELL AS FUTURE GENERATIONS IT IS EVIDENT THAT A PROFESSIONAL, WELL-QUALIFIED GROUP OF MEN AND WOMEN ARE NEEDED TO PROVIDE FOR THE VISITOR'S SAFETY AND WELL-BEING. THIS IS CURRENTLY BEING ACCOMPLISHED BY THE OFFICERS AND MEMBERS OF THE UNITED STATES PARK POLICE IN THE GREATER WASHINGTON, D.C. AREA, NEW YORK CITY, SAN FRANCISCO, GLYNCO, GEORGIA AND LAKE MEADE, NEVADA. IT HAS BEEN PROPOSED AND IS UNDER CONSIDERATION FOR FUTURE NATIONAL PARKS TO RECEIVE THE MEMBERS OF THE UNITED STATES PARK POLICE TO PROVIDE THE VERY SENSITIVE, YET DEMANDING SERVICE OF VISITOR PROTECTION. IN ORDER FOR THIS TO BE ACCOMPLISHED SO THAT ALL THE CITIZENS OF THIS NATION CAN ENJOY OUR NATIONAL PARKS, THE CHIEF OF THE U. S. PARK POLICE MUST BE ABLE TO RECRUIT AND RETRAIN THE MOST CAPABLE AND PROFESSIONAL PEOPLE.

WITH FAVORABLE CONSIDERATION FROM THIS COMMITTEE, AS WELL AS THE CONGRESS IN GENERAL, YOU LEGISLATORS WILL BE SHOWING TO ALL THE CITIZENS OF THIS COUNTRY YOUR CONCERN FOR THE FUTURE USE OF OUR NATIONAL PARKS.

THANK YOU VERY MUCH FOR THIS TIME YOU HAVE GIVEN ME TO SPEAK ON BEHALF OF THE MEMBERS OF THE POLICE ASSOCIATION EMPLOYED BY THE UNITED STATES PARK POLICE.

**Police Association
of the District of Columbia**
WASHINGTON, D. C.

Phone: Area 2
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Charter Member International Conference of Police Associations



1241 PENNSYLVANIA AVENUE, S. E.
WASHINGTON, D. C. 20003

SEPTEMBER 1976

HEARING BEFORE THE
SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA

ON
S. 3796

FEDERAL PAY COMPARABILITY FOR THE
UNITED STATES PARK POLICE FORCE

STATEMENT OF

JOSEPH S. GOLDRING, PRESIDENT
POLICE ASSOCIATION OF THE DISTRICT OF COLUMBIA

1.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, FOR THE RECORD, MY NAME IS JOSEPH S. GOLDRING AND I AM A DETECTIVE IN THE METROPOLITAN POLICE DEPARTMENT OF THE DISTRICT OF COLUMBIA. I AM THE PRESIDENT OF THE POLICE ASSOCIATION OF THE DISTRICT OF COLUMBIA, REPRESENTING THE UNITED STATES PARK POLICE, THE EXECUTIVE PROTECTIVE SERVICE, THE METROPOLITAN POLICE DEPARTMENT, AND THE UNITED STATES CAPITOL POLICE. I AM HERE TODAY REFERENCE TO S. 3796.

I APPRECIATE THIS OPPORTUNITY YOU AFFORD ME AS ALWAYS, AND I THANK YOU IN ADVANCE. THE MEMBERS OF THE POLICE ASSOCIATION HAVE BEEN COMING TO THE CONGRESS NOW FOR OVER 70 YEARS AND IT HAS ALWAYS BEEN A WARM RECEPTION BY THE COMMITTEES AND INDIVIDUALS CONCERNED.

SUBSTANTIAL BRIEFS WERE PRESENTED TO MEMBERS OF CONGRESS ON THE VITAL ISSUES OF S. 3796. IN CAREFULLY STUDYING THE MATERIAL WE HAVE HOPES THAT YOU WERE IMPRESSED. IN THE AREA OF WAGES, THERE WERE SOME FACTORS WHICH I CONSIDER TO BE RELEVANT AND WHICH MUST BE WEIGHED FOR AN ADJUSTMENT. I SHALL NOT REVIEW THE REASONS WHICH APPLY AT THIS TIME. I SHALL ENDEAVOR TO SUMMARIZE WHAT I CONSIDER TO BE THE MOST IMPORTANT FACTORS CONTINUED IN EVIDENCE WHICH I HAVE CAREFULLY WEIGHED.

THE U.S. PARK POLICE FORCE CONTINUES TO BE REGARDED AS BEING ONE OF THE VERY FINEST IN RESPECT TO EFFICIENCY, INTEGRITY, ACCEPTABILITY, APPEARANCE AND PROCEDURES. THE FORCE BEING A FAST GROWING UNIT THROUGHOUT THE UNITED STATES, STILL RETAINS A RELATIVELY PEACEFUL ATMOSPHERE WHERE CITIZENS AND VISITORS CAN WORK AND ENJOY THEMSELVES FREE FROM FEAR OF INTERFERENCE, ABUSE OR PHYSICAL HARM.

2.

WHILE IT APPEARS THAT CRIME, ON A LARGE SCALE, HAS NOT YET INFILTRATED THE PARK AREAS, THE PARK POLICE OFFICER HAS MANY HARDSHIPS THAT NO OTHER METROPOLITAN OFFICER HAS TO ENDURE. THE CONCENTRATION OF POPULATION IN THE PARKS GROWS AND AS A RESULT THE HAZARDS AND GENERAL PROBLEMS FACED BY THE OFFICERS BECOMES GREATER WHEN ATTEMPTING TO COPE WITH AN INCREASING VOLUME OF VIOLENT CRIME. AMONG OTHER THINGS, DRUG PROBLEMS ARE INCREASING. THE TYPE OF CRIME WHICH MUST BE DEALT WITH IN SUCH A LARGE AREA ARE MORE DIFFICULT TO HANDLE THAN THOSE FOUND IN MANY MAJOR CITIES.

THE MEMBERS OF THE PARK POLICE SHOULD ENJOY WORKING CONDITIONS AND FRINGE BENEFITS EQUAL TO THOSE ENJOYED BY POLICE OFFICERS ANYWHERE IN THE COUNTRY.

ONE IS MINDFUL OF THE SUBSTANTIAL INCREASES WHICH HAVE ALREADY BEEN GIVEN, EITHER THROUGH NEGOTIATIONS OR ARBITRATION TO CIVIL SERVANTS AND OTHER PRIVATE SECTORS.

SINCE THE TIME OF THE 1974 PAY INCREASE, THERE HAS BEEN A SUBSTANTIAL INCREASE IN THE COST OF LIVING. THERE DOES NOT APPEAR TO BE CONSISTENT VIEWS AS TO WHETHER OR NOT THE INFLATIONARY SPIRAL WILL LEVEL OFF IN 1976. ONE MUST WEIGH THE SUGGESTION THAT THERE SHOULD BE A COMPARISON OF WAGES PAID TO MEMBERS OF A POLICE FORCE AND OTHER WORKERS IN THE COUNTRY. A PERSON MUST BE PAID FOR THE JOB THAT HE HIMSELF PERFORMS AND HIS SALARY SHOULD REFLECT HIS WORK.

THERE ARE ATTEMPTS TO RELATE THE SERVICES PERFORMED BY POLICE OFFICERS TO THOSE SERVICES PERFORMED BY SO MANY OTHER MEMBERS OF A COMMUNITY SUCH AS SOCIAL WORKERS, NURSES, AMBULANCE DRIVERS AND OTHERS. THERE IS EVEN AN ATTEMPT TO COMPARE THE RESTRICTIONS ON

3.

THE PRIVATE LIFE OF A POLICE OFFICER WITH THE RESTRICTIONS PLACED ON NURSES OR A MEMBER OF A NEWSPAPER. IN MY OPINION THERE IS ABSOLUTELY NO VALIDITY IN THESE COMPARISONS.

THE MAIN THRUST OF S. 3796 IS DIRECTED TOWARDS PROVIDING A WAGE ADJUSTMENT FOR 1975 AND 1976, WHICH WILL OFFSET ANTICIPATED INFLATION, AND TO PLACE THE UNITED STATES PARK POLICE IN IT'S PROPER PLACE IN THE FEDERAL GOVERNMENT. THERE IS NO VALID REASON WHY THE UNITED STATES PARK POLICE SHOULD BE PRECLUDED FROM SPEAKING FOR THEMSELVES IN THE AREAS OF PAY AND BENEFITS. THEY SHOULD NOT BE A PART OF THE D.C. CODE OR ANY OTHER LOCAL GOVERNMENT. IF THIS WAS TO BE THE WAY THE UNITED STATES PARK POLICE WOULD GET WAGES AND BENEFITS, THEY WOULD COME UNDER SIX JURISDICTIONS, INCLUDING THE DISTRICT OF COLUMBIA AND IN NO WAY WOULD IT BE COMPARABLE. THEY SHOULD BE SEPARATE BUT COMPARABLE TO THIS AREAS POLICE DEPARTMENTS, BUT NOT TIED TO ANY ONE PARTICULAR DEPARTMENT.

STATEMENT OF JOEL M. FINKELSTEIN,
ESQUIRE, IN SUPPORT OF S. 3796

Mr. Chairman: My name is Joel Finkelstein and I am counsel for the Policemen's Association of the District of Columbia. The Policemen's Association is a benevolent association composed of members of the United States Park Police, the Executive Protective Service, the United States Capitol Police and the Metropolitan Police Department. In 1974, the Policemen's Association became the exclusive bargaining agent for members of the United States Park Police.

When Congress passed Home Rule legislation, it became evident to the Association that there was a need to revise the District of Columbia Code. As you may know, salaries and benefits for members of the United States Park Police and the Executive Protective Service are governed by the same provisions of law that apply to members of the Metropolitan Police Department. Under Home Rule legislation, the District of Columbia government has jurisdiction initially to determine the time and amount of salary increases affecting all three forces. With this in mind, representatives of the Policemen's Association met with management officials of the Department of Interior more than one year ago for the purpose of discussing legislation which would vest the responsibility for determining salary increases of park policemen in the federal government.

Although discussions with members of the Department of Interior were open and candid, the Department never got beyond the discussion stage. It soon became evident that, if a bill was to be proposed affecting the salaries of park policemen, it would have to be on the initiative of the Policemen's Association rather than the Department of Interior.

The United States Park Police is composed of approximately 500 men. It has law enforcement jurisdiction in the District of Columbia, its environs, and various national parks located throughout the United States. In addition to the District of Columbia, Maryland and Virginia, park policemen are assigned in New York, New Jersey, California and Nevada. In the District of Columbia, the United States Park Police has concurrent law enforcement jurisdiction with the Metropolitan Police Department. In addition, the United States Park Police patrols areas administered by the Department of Interior such as the Mall and the national monuments in and around the District of Columbia. It provides escorts for the President of the United States and maintains two helicopters staffed with paramedics for emergency assistance to victims of accidents in the local area.

The Policemen's Association supports S. 3796. It does so because S. 3796 provides that future pay raises for the United States Park Police will be governed by the provisions of the Federal Pay Comparability Act

rather than the District of Columbia Police and Firemen's Salary Act. It is, we believe, crucial that future pay increases for members of the United States Park Police not be determined or controlled by the District of Columbia government. This year, members of the United States Park Police as well as members of the Metropolitan Police Department and the Executive Protective Service received 6% salary increases. The manner in which this increase was arrived at demonstrates the need for S. 3796.

In 1974, prior to Home Rule, the United States Park Police, the Executive Protective Service and the Metropolitan Police Department received salary increases of approximately 16% pursuant to an act of Congress. That pay raise reflected a cost of living increase which had occurred over the two year period dating from their last pay raise. The figure was arrived at through negotiations with the District of Columbia Government and this Committee of Congress. Representatives from all three forces participated in each of the proceedings which eventually produced the final bill. This year, however, the procedure changed drastically because of Home Rule. Under Home Rule legislation, the union which represents members of the Metropolitan Police Department negotiated with the Mayor of the District of Columbia for salary increases for members of the Metropolitan Police Department only. The union which represents officers of the Metropolitan Police Department does

not represent members of the United States Park Police. Negotiations began late in 1975. Members of the United States Park Police were not only denied representation in the negotiations but they had no input whatsoever in the negotiations and, indeed, were never advised of the progress or lack of progress throughout the course of the negotiations. For months they stood on the outside looking in, wondering if, when and how much. There were rumors which indicated that there may be favorable action and there were rumors that indicated there may be unfavorable action. Because they had no control over and no knowledge of the negotiations, they thrived on rumors. When the Mayor finally agreed upon a salary increase, the men for the first time learned what the negotiations were all about. Once the Mayor reached an agreement with the union, it became the responsibility of the city council to determine if it would accept the Mayor's recommendation and, if not, to what extent the Mayor's recommendation would be modified.

The action of the city council proved terribly frustrating. There were delays and threats of no salary increases. There were demonstrations in which the park policemen did not participate. The demonstrations were not always orderly (I am informed) and proved a source of embarrassment to many policemen. It could have created enough ill will to jeopardize the pay raise and could have denied park policemen their much deserved pay increases.

Eventually, the city council approved a 6% pay increase. Again, members of the United States Park Police had no control over and no input regarding the action of the city council. They simply had to assume a wait and see attitude.

While I cannot speak for the Department of Interior, I can tell you that they, too, had no control over and no input in the negotiations I just described. As unseemly as it may sound, the District of Columbia went through the process of enacting legislation which affected the budget of the Department of Interior.

There are many revisions of the District of Columbia Code that are needed so that park policemen will be treated as federal employees. The Association views S. 3796 as a starting point. In order to bring the laws relating to the United States Park Police up to date, S. 3796 instructs the Secretary of Interior to submit to the Congress no later than one year after the enactment of this proposed bill a proposed codification of all laws relating to the powers, duties, functions, salaries or benefits of the United States Park Police. Presently, these laws are scattered throughout the District of Columbia and United States Codes. When those of us concerned with the problem attempted to prepare a bill for consideration by this Congress which would codify the laws relating to the United States Park Police in one piece of legislation, we found that such laws were often obsolete,

unworkable and placed throughout the District of Columbia and United States Codes without any rhyme or reason. The United States Park Police is growing both in numbers and in geographical assignments. It is a force which should be governed by an understandable and workable body of law.

I want to thank you for giving me an opportunity to speak on behalf of the Policemen's Association of the District of Columbia. On behalf of the Association, I respectfully ask for your support of S. 3796.

The CHAIRMAN. Mr. Finkelstein?

Mr. FINKELSTEIN. I have submitted a statement for the record, Mr. Chairman, but can quickly run through it.

My name is Joel Finkelstein and I am counsel for the Policemen's Association of the District of Columbia.

The Policemen's Association is a benevolent association composed of members of the U.S. Park Police, the Executive Protective Service, the U.S. Capitol Police and the Metropolitan Police Department.

In 1974, the Policemen's Association became the exclusive bargaining agent for members of the U.S. Park Police.

When Congress passed home rule legislation, it became evident to the association that there was a need to revise the District of Columbia Code.

As you may know, salaries and benefits for members of the U.S. Park Police and the Executive Protective Service are governed by the same provisions of law that apply to members of the Metropolitan Police Department.

Under home rule legislation, the District of Columbia Government has jurisdiction initially to determine the time and amount of salary increases affecting all three forces.

With this in mind, representatives of the Policemen's Association met with management officials of the Department of Interior more than 1 year ago for the purpose of discussing legislation which would vest the responsibility for determining salary increases of park policemen in the Federal Government.

Although discussions with members of the Department of Interior were open and candid, the Department never got beyond the discussion stage.

It soon became evident that, if a bill was to be proposed affecting the salaries of park policemen, it would have to be on the initiative of the Policemen's Association rather than the Department of Interior.

JURISDICTION OF PARK POLICE

The U.S. Park Police is composed of approximately 500 men. It has law enforcement jurisdiction in the District of Columbia, its environs, and various national parks located throughout the United States.

In addition to the District of Columbia, Maryland, and Virginia, park policemen are assigned in New York, New Jersey, California, and Nevada.

In the District of Columbia, the U.S. Park Police has concurrent law enforcement jurisdiction with the Metropolitan Police Department.

In addition, the U.S. Park Police patrols areas administered by the Department of Interior such as the Mall and the national monuments in and around the District of Columbia. It provides escorts for the President of the United States and maintains two helicopters staffed with paramedics for emergency assistance to victims of accidents in the local area.

POLICEMEN'S ASSOCIATION SUPPORTS S. 3796

The Policemen's Association supports S. 3796. It does so because S. 3796 provides that future pay raises for the U.S. Park Police will be governed by the provisions of the Federal Pay Comparability Act rather than the District of Columbia Police and Firemen's Salary Act.

It is, we believe, crucial that future pay increases for members of the U.S. Park Police not be determined or controlled by the District of Columbia government.

This year, members of the U.S. Park Police as well as members of the Metropolitan Police Department and the Executive Protective Service received a 6-percent salary increase. The manner in which this increase was arrived at demonstrates the need for S. 3796.

In 1974, prior to home rule, the U.S. Park Police, the Executive Protective Service and the Metropolitan Police Department received salary increases of approximately 16 percent pursuant to an act of Congress. That pay raise reflected a cost of living increase which had occurred over the 2-year period dating from their last pay raise.

The figure was arrived at through negotiations with the District of Columbia government and this committee of the Congress.

HOME RULE CHANGED PROCEDURE

Representatives from all three forces participated in each of the proceedings which eventually produced the final bill. This year, however, the procedure changed drastically because of home rule.

Under home rule legislation, the union which represents members of the Metropolitan Police Department negotiated with the Mayor of the District of Columbia for salary increases for members of the Metropolitan Police Department only.

The union which represents officers of the Metropolitan Police Department does not represent members of the U.S. Park Police.

Negotiations began late in 1975. Members of the U.S. Park Police were not only denied representation in the negotiations but they had no input whatsoever in the negotiations and, indeed, were never advised of the progress or lack of progress throughout the course of the negotiations.

For months they stood on the outside looking in, wondering if, when, and how much. There were rumors which indicated that there may be favorable action and there were rumors that indicated there may be unfavorable action.

Because they had no control over and no knowledge of the negotiations, they thrived on rumors. When the Mayor finally agreed upon a salary increase, the men for the first time learned what the negotiations were all about.

Once the Mayor reached an agreement with the union, it became the responsibility of the City Council to determine if it would accept the Mayor's recommendation and, if not, to what extent the Mayor's recommendation would be modified.

The action of the City Council proved terribly frustrating. There were delays and threats of no salary increases. There were demonstrations in which the park policemen did not participate.

The demonstrations were not always orderly I am informed, and proved a source of embarrassment to many policemen. It could have created enough ill will to jeopardize the pay raise and could have denied park policemen their much-deserved pay increases.

Eventually, the City Council approved a 6-percent pay increase. Again, members of the U.S. Park Police had no control over and no input regarding the action of the City Council. They simply had to assume a wait and see attitude.

While I cannot speak for the Department of Interior, I can tell you that they, too, had no control over and no input in the negotiations I just described. As unseemly as it may sound, the District of Columbia went through the process of enacting legislation which affected the budget of the Department of Interior.

There are many revisions of the District of Columbia Code that are needed so that park policemen will be treated as Federal employees.

The association views S. 3796 as a starting point. In order to bring the laws relating to the U.S. Park Police up to date, S. 3796 instructs the Secretary of Interior to submit to the Congress no later than 1 year after the enactment of this proposed bill a proposed codification of all laws relating to the powers, duties, functions, salaries, or benefits of the U.S. Park Police.

Presently, these laws are scattered throughout the District of Columbia and the United States Code. When those of us concerned with the problem attempted to prepare a bill for consideration by this Congress which could codify the laws relating to the U.S. Park Police in one piece of legislation, we found that such laws were often obsolete, unworkable, and placed throughout the District of Columbia and United States Codes without any rhyme or reason.

The U.S. Park Police is growing both in numbers and in geographical assignments. It is a force which should be governed by an understandable and workable body of law.

I want to thank you for giving me an opportunity to speak on behalf of the Policemen's Association of the District of Columbia.

On behalf of that association, I respectfully ask for your support of S. 3796.

Thank you.

The CHAIRMAN. Does anyone else here wish to present testimony in connection with H.R. 15276 or S. 3796?

Senator MATHIAS. Mr. Chairman, I think there are a couple of things we ought to have on this record.

Since the chairman has gone on record against "kickers" I want to go on record as in favor of "kickers." But that is really not central to this because everyone of us agree that is not involved in this legislation but I think we ought to have on the record as to where the Park Police are deployed and there is a certain parochial notion that they just ride up and down the Mall on horses.

DEPLOYMENT OF PARK POLICE

Could we describe where the Park Police are deployed?

Mr. STEBBINS. Mr. Chairman, Park Police are employed throughout the country—California, New York, and the District of Columbia—

not exclusively the District of Columbia and its environs. There are expansion programs designed to provide safety in other areas; the urban type parks and realizing the responsibility that is being placed on the Park Police we see the need for the stabilization of pay.

We are providing service for safety responsibilities at this time throughout the country.

The CHAIRMAN. Anything further, Senator Mathias?

Senator MATHIAS. It would be ridiculous to continue the existing practice of having this Federal police unit which is employed in various parts of the country and a potential for even a more widespread use throughout the country having its compensation tied to the municipal government in the District of Columbia.

Mr. STEBBINS. That is correct, Senator.

Senator MATHIAS. That is why I introduced the bill. I do think, Mr. Chairman, it is an interesting fact that we are dealing with two anomalies which we did not see at the time of enactment of home rule. One which deals with the universities financing and one which now deals with the Park Police compensation and both are really transition problems. It is appropriate that we deal with them both at the same time. I think it is very necessary legislation and that any question which involves the right of the Park Police to share in the kind of cost-of-living adjustment or any question which is raised to their technical authority to seek those adjustments when every other Federal employee in the area gets them should be looked at very promptly. I hope this bill gets the President's signature by the end of this Congress.

The CHAIRMAN. Thank you, Senator.

MANY SEPARATE LAW ENFORCEMENT AGENCIES

The Senator's questioning has raised another one of my pet peeves and we might as well put this in the record. I find, from a law enforcement point of view, the conditions in the District of Columbia with half a dozen or more law enforcement agencies to be nothing short of organizational chaos.

This came out during the hearings we held creating yet another police force and that is the Metro Security Police force.

You have the District of Columbia police. You have the Presidential Protection Service. You have the Park Police. You have now a Metro police department. I have probably missed one or two more.

I am informed the zoo has their police department. The Supreme Court has a police department, also the Smithsonian has a police department.

I know of no other city in the whole world that has so many separate law enforcement agencies with very fuzzy jurisdictional problems and differences as to where one starts and where the other one ends.

I gave some thought to trying to stop creating the Metro police department but everybody threw up their hands, because they said, well, the District of Columbia police department cannot do it because of such and such, and this other department cannot do it because of such and such, and now we have a new Metro police department.

Each one of them has a chief. Each has a couple of assistant chiefs. Maybe this cannot be resolved but it certainly is confusing to say the least.

Mr. GORDON. We represent close to 180,000 policemen throughout the United States, including your home State of Missouri, and we find in a lot of areas there is a lot of thought of consolidation going on.

You have five different agencies, Mr. Chairman, in New York alone. It is a little unique here in the District of Columbia since it is the seat of the Government where we have had this problem before.

You also have the U.S. marshals and the Secret Service.

The CHAIRMAN. And the FBI.

Mr. GORDON. The FBI also. These are all Federal agencies where the District of Columbia has no control over their salaries or benefits, and we feel they should not have the same control over the U.S. Park Police as they work for the Federal Government.

We have been presented this argument in the House, that the Federal Government is becoming too involved with the police departments and we agree except that the U.S. Park Police is a Federal agency and it is your organization.

That is why we have made the presentation in this vein this morning.

The CHAIRMAN. I am not criticizing your presentation.

Would you not be rendering a disservice to your colleagues in the Park Police if you did not come forward to get a comparability with other law enforcement agencies?

If it is anyone's fault, it is ours. We created all these little fiefdoms. I think there is no way to uncreate them since we have them all.

Anybody else here wish to testify on these two Park Police bills?

EFFECTIVE DATE

Mr. FINKELSTEIN. May I say a word about the bills? There is one provision that is quite important which tends to be overlooked and that is the effective date.

The effective date is October 1, Mr. Chairman. It is important that that date be in there for this reason. If that date is not in there, it is possible for the Metropolitan Police Department to get a pay raise through the City Council and for the Park Police not to get a pay raise because they would not be included in the cost-of-living increase which would be across-the-board effective in October for all Federal employees.

The CHAIRMAN. Thank you, Mr. Finkelstein.

Anyone else here to testify on these measures?

Before we call the next bill up, the Chair wishes to note that Senator Mathias has his former foreign policy expert, Colby King, present with us.

We will now proceed with H.R. 10826, to prohibit the unauthorized use of a motor vehicle.

Mr. Calvin R. Kuhlman, counsel, National Car Rental Systems, Inc., is the next witness.

Mr. Kuhlman, you may proceed.

STATEMENT OF CALVIN R. KUHLMAN, COUNSEL, NATIONAL CAR
RENTAL SYSTEMS, INC.

Mr. KUHLMAN. Thank you, Mr. Chairman, and distinguished members of the committee.

Mr. Chairman, I have a prepared statement which I believe has previously been submitted to your group and I would like to have it incorporated into the record at this point.

The CHAIRMAN. It will be printed in the record as though read.

[The prepared statement of Mr. Kuhlman follows:]

STATEMENT BY CALVIN R. KUHLMAN, ATTORNEY
NATIONAL CAR RENTAL SYSTEM, INC.

I. Introduction

Mr. Chairman and distinguished members of the Committee, I appreciate this opportunity to present to you the views of National with respect to HR 10826, a bill to prohibit the unauthorized use of a motor vehicle obtained under a written rental or other agreement.

II. Purpose of the Legislation

There is presently a gap in the existing law in the District of Columbia relating to the unauthorized use of motor vehicles. This gap precludes the effective prosecution for the unlawful use of rented motor vehicles in the District.

HR 10826 is needed in order to provide the criminal justice system in the District of Columbia the tools with which to prosecute those who abuse a motor vehicle rental agreement in the District; or more precisely, the failure to return rental motor vehicles at the end of the contract rental period. Typically, the vehicle is initially rented pursuant to normal procedures, but it is subsequently converted by the lessee who has no intention of returning the car or truck. If enacted, the District of Columbia would have a vehicle conversion law similar in substance or effect to many state statutes.

III. Present Law in the District

The conversion of property is a form of embezzlement. It is purely a statutory offense; it is not a common-law crime. The present District of Columbia statute, which is commonly known as a "joyriding" statute, has been found in several court decisions to be inadequate for purposes of prosecuting vehicle rental agreement violators or converters. The current law is not designed to reach a person who initially obtains the vehicle with the consent of the owner and who subsequently intends to deprive the owner of the property.

In the absence of a statute specifically relating to the unauthorized conversion of rental vehicles, such an offense can be punished by establishing that a larceny or embezzlement has occurred. However, proof of larceny is often difficult because of the special circumstances involved in a case where the vehicle was initially taken with the owner's consent, and the intent to steal is not manifested until a later point in time. The District of Columbia law on em-

bezzlement can only be applied to those breaches of trust emanating from an employer/employee or principal agency relationship, neither of which arise in the typical car or truck rental arrangement. HR 10826 fills the void in this area of the law in the District of Columbia.

SUMMARY

HR 10826 had its roots in legislation, similar in purpose, introduced in the 92nd Congress (HR 9604), the 93rd Congress (HR 341 and 6205) and in the 94th Congress (HR 4756). Public hearings were held and extensive testimony was submitted in connection with this measure. This bill as passed by the House is supported by the U.S. Attorney's Office, the Mayor and the Chairman of the Council of the District of Columbia, the National Car and Truck Rental and Leasing Association (CATRALA), the DC CATRALA, and the Metropolitan Washington Board of Trade. To date, no testimony has been presented in opposition to the bill.

In short, HR 10826 would:

- A. have a deterrent effect upon certain individuals and, thus, reduce crime;
- B. enable the "state" to punish those who convert motor vehicles; and at the same time, establish procedures to protect the careless or forgetful lessee;
- C. enable rental and leasing companies to liberalize their current standards in connection with the rental of an automobile, thereby giving more people the opportunity to rent or lease motor vehicles for their business or personal use;
- D. enable rental and leasing companies to enter into more rental or lease transactions and thereby earn more revenue. Because of the structure of the sales tax law in the District of Columbia (5% tax on revenues), this would also generate more tax revenues.

We therefore respectfully urge the passage of HR 10826.

The CHAIRMAN. You may proceed to summarize, Mr. Kuhlman.
 Mr. KUHLMAN. I will try to summarize very quickly the main purpose for my being here.

UNAUTHORIZED USE OF MOTOR VEHICLES LOOPHOLE

At the present time in the District of Columbia Code there is a gap in the law relating to the unauthorized use of motor vehicles.

This gap in the criminal code precludes the effective prosecution for the unlawful use of rental motor vehicles in the District of Columbia.

The genesis of the measure under consideration today has its roots in bills presented before the 92d Congress, the 93d Congress, and the 94th Congress.

Public hearings were held and extensive testimony was submitted in connection with this measure and as the bill passed the House it was supported by the U.S. attorney's office, the Mayor of the District of Columbia, the Chairman of the City Council, the National Car and Truck Rental and Leasing Companies and the Metropolitan Washington Board of Trade.

At the same time I am not aware of any testimony which has been presented in opposition to this bill.

In short, it is my opinion that H.R. 10826 would have a deterrent upon certain individuals who perhaps have been harboring some intent to misappropriate rental or lease vehicles.

It would enable the State to punish those who convert vehicles. At the present time one of the primary concerns in the House was to protect the individual who carelessly or haphazardly failed or forgot to return a motor vehicle.

The bill, as passed by the House, has several procedures which really protects the customers: Notices on the contract, notices in the car on the dashboard, letters must be sent before any kind of formal warrant would be issued.

Also there is a complete defense for any action brought in the situation if it is demonstrated that the failure to return a vehicle is beyond the control of the lessee.

In addition, this bill would enable rental and leasing companies to liberalize their current standards in connection with the rental of an automobile and thereby giving more people an opportunity to rent motor vehicles for business or personal use.

Perhaps of significance here is a recent study conducted by one of the major firms in our industry to the effect that much like the throw-away razor blades we are going to have throwaway cars. In our way of doing things, because of the cost factor in buying a car, people, in order to take advantage of the motor vehicle, will rely more and more extensively on renting or leasing our product.

Finally, because we will be able to liberalize our renting standards in connection with renting the vehicles, it will enable companies to enter into more transactions. We will have more revenue and because of the sales tax structure, the more revenue we make the more revenue the District will receive.

We believe it is a good bill and urge its passage.

Mr. Chairman, if you have any questions I will be glad to answer them to the best of my ability.

The CHAIRMAN. Thank you, Mr. Kuhlman.

I will note, that when I was District Attorney in St. Louis there was a similar loophole that existed in the Missouri law which we had to rectify and it is an identical situation to the one faced in the District of Columbia.

I note from the report of the House Committee that the Mayor and the City Council, through its Chairman Sterling Tucker, sent letters supporting this.

A quick perusal does not indicate any such statement from the U.S. attorney's office. Therefore, I will hold the record open on this bill for 24 hours and we will contact the U.S. attorney's office to see what their observation is with respect to the bill. I presume they will approve of it.

[The following letter was received from the Office of the United States Attorney.]

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., September 24, 1976.

HON. THOMAS F. EAGLETON,
U.S. Senator, Dirksen Senate Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request for our views on H.R. 10826, a bill to prohibit the unauthorized use of a motor vehicle obtained under a written agreement. This bill was passed by the House of Representatives and is presently being considered by the Senate Committee on the District of Columbia.

We support the bill and hope that the Congress will enact the legislation this year. As you know, on October 2, 1975, we testified favorably on similar legislation before the Subcommittee on the Judiciary of the House Committee on the District of Columbia. In that testimony, we stated:

"As is perfectly obvious, a rental agreement is a civil contract between the owner of the car and the customer. Certainly not every breach of the contract by the customer in failing to return the vehicle on time should be considered a criminal violation nor should rental companies be permitted to use law enforcement authorities as a collection agency. On the other hand, there are serious abuses of rental car agreements involving prolonged time periods in which a vehicle is not returned that justify vigorous criminal prosecution.

"The Department of Justice recognizes the need for legislation to protect against unauthorized use of rented motor vehicles. In our view, H.R. 4756 is a balanced proposal which takes into account both the fact that not every breach of a rental agreement is a criminal violation and that serious abuses of rental agreements should be prosecuted. Because of this, the Department of Justice favors legislation of this kind."

Under H.R. 10826, the lessee's failure to return the vehicle does not become criminal until 18 days after a written demand for the return of the car is made by the car rental company. This means that the initial burden to obtain the return of the car is on the rental companies where it should be. Once 2½ weeks have passed after the written notice and the lessee has failed to respond to a written demand, there is ample justification to conclude that the lessee is feloniously using the car without the authorization of the automobile rental company. At this point, it is reasonable for the law enforcement authorities to enter the case and subject the lessee to the criminal process.

H.R. 10826 has other important features which should be noted. In order for there to be a criminal violation, the rental agreement must contain the following statement "clearly and conspicuously printed in a contrasting color": "Warning—Failure to return this vehicle in accordance with the terms of this rental agreement may result in criminal penalty of up to three years in jail." This warning must be set off in a box and signed by the lessee. Thus, the lessee will be notified in advance that failure to return the vehicle may be criminal. The bill also makes it a valid defense to the crime if the failure to return the motor vehicle was "for causes beyond his control."

I hope these comments will be of some help to you and the Committee.

Sincerely,

EARL J. SILBERT,
U.S. Attorney.

The CHAIRMAN. Does anyone else here wish to testify on this matter, H.R. 10826?

The Chair hears no response. Therefore, that concludes the hearing on that measure as well.

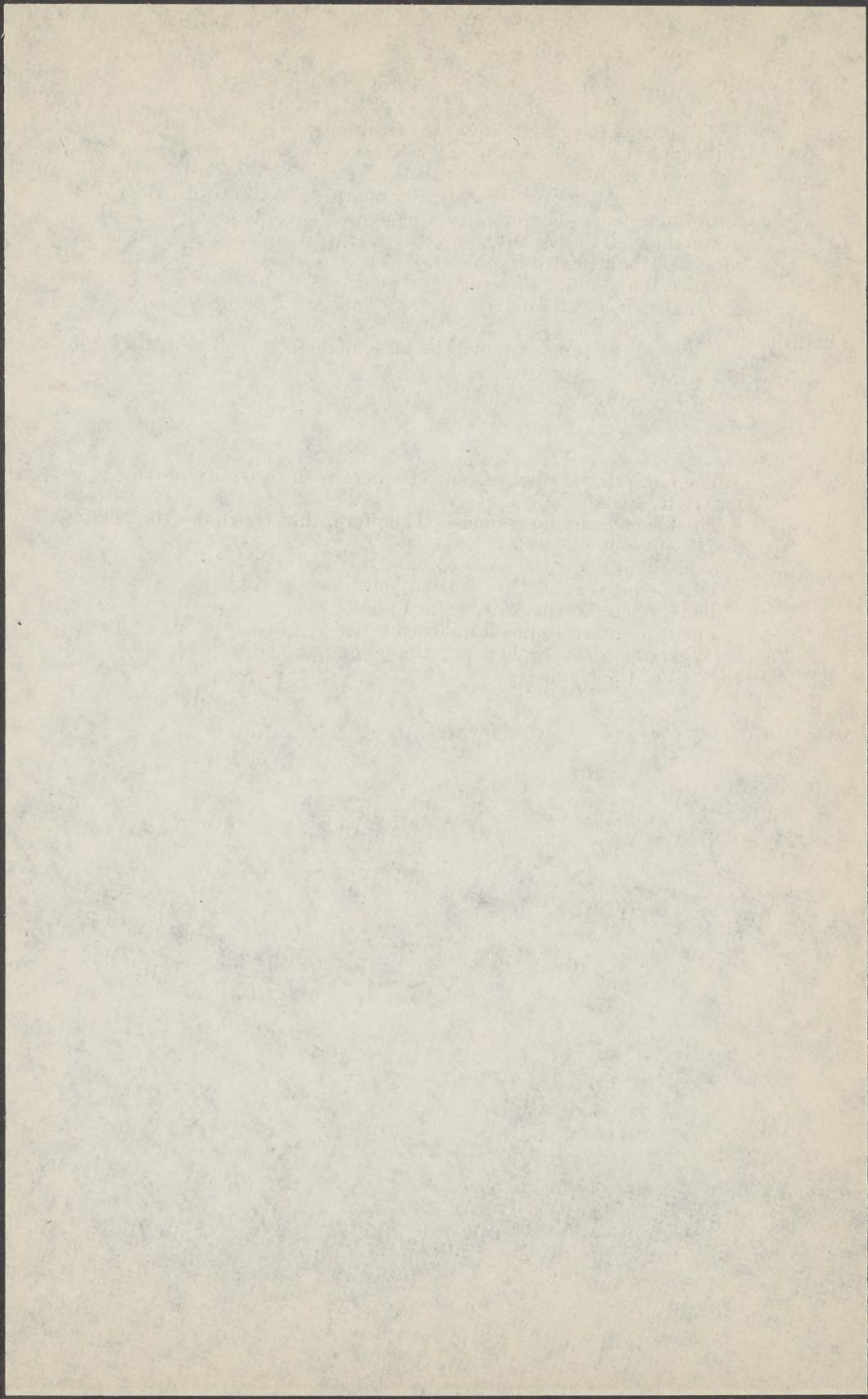
I thank all the witnesses who have testified today. We have a series of bills before us and they will be polled out of committee.

That concludes the hearing for today.

The committee stands adjourned.

[Whereupon, at 10:20 a.m., the committee adjourned, subject to the call of the Chair.]





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