

AMENDING THE DISTRICT OF COLUMBIA HOME RULE ACT TO CLARIFY
THE RULES REGARDING THE DETERMINATION OF THE COMPENSATION
OF THE CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

NOVEMBER 15, 2013.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. ISSA, from the Committee on Oversight and Government
Reform, submitted the following

R E P O R T

[To accompany H.R. 3343]

The Committee on Oversight and Government Reform, to whom
was referred the bill (H.R. 3343) to amend the District of Columbia
Home Rule Act to clarify the rules regarding the determination of
the compensation of the Chief Financial Officer of the District of
Columbia, having considered the same, report favorably thereon
without amendment and recommend that the bill do pass.

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COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

The District of Columbia sought federal legislation altering the
maximum allowable compensation for the city's Chief Financial Of-
ficer (CFO) in order to attract competitive candidates to fill an up-
coming vacancy in the position. H.R. 3343 ties the CFO's maximum

compensation to that of the maximum annual compensation payable to members of the federal government's Senior Executive Service (SES).

BACKGROUND AND NEED FOR LEGISLATION

DC's long-servicing CFO, Dr. Natwar Gandhi, announced his retirement in early 2013. The city established an executive search committee to make successor recommendations to the mayor and city council. The search committee suggested that the current cap on compensation for the CFO—\$199,700—was not competitive, considering the size of the city and its \$11 billion annual budget. The city thus requested Congress raise the cap.

The Committee found examples of CFOs in comparable or smaller cities with greater compensation. In addition, there are a number of CFOs of federal agencies who receive more than \$200,000 annually. For example, the CFOs of San Diego and the Consumer Financial Protection Bureau make \$212,000 and \$227,000 respectively.

Congress created the position of the DC CFO in response to the fiscal crisis that bankrupted the city in the 1990s. This Committee recognizes the importance of having a capable and independent CFO to make decisions that will protect DC's financial health.

LEGISLATIVE HISTORY

H.R. 3343 was introduced by Representative Eleanor Holmes Norton on October 28, 2013. Substantively identical language also was included in H.R. 2793, the District of Columbia Financial Efficiency Act, which was unanimously approved by the Oversight and Government Reform Committee on July 24, 2013.

SECTION-BY-SECTION

Section 1. Clarification of determination of compensation of Chief Financial Officer of District of Columbia

This section amends the DC Home Rule Act to raise the total allowable compensation for the DC CFO to that of the maximum allowable compensation for an SES employee, \$230,700. It also sets the effective date of this Act on the date of enactment.

EXPLANATION OF AMENDMENTS

No amendments were offered.

COMMITTEE CONSIDERATION

On October 29, 2013, the Committee met in open session and ordered reported favorably the bill, H.R. 3343, by voice vote, a quorum being present.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104-1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill ties the DC CFO's maximum compensation to that of the maximum annual compensation payable to members of the federal government's Senior Executive

Service (SES). Legislative branch employees and their families, to the extent that they are otherwise eligible for the benefits provided by this legislation, have equal access to its benefits.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 3343 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting H.R. 3343 does not direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104-4) requires a statement as to whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

EARMARK IDENTIFICATION

H.R. 3343 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 3343. However, clause 3(d)(3)(B) of that rule provides that this re-

quirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 3343 from the Director of Congressional Budget Office:

NOVEMBER 4, 2013.

Hon. DARRELL ISSA,
Chairman, Committee on Oversight and Government Reform,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3343, a bill to amend the District of Columbia Home Rule Act to clarify the rules regarding the determination of the compensation of the Chief Financial Officer of the District of Columbia.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 3343—A bill to amend the District of Columbia Home Rule Act to clarify the rules regarding the determination of the compensation of the Chief Financial Officer of the District of Columbia

CBO estimates that enacting H.R. 3343 would have no effect on the federal budget. The legislation would amend the District of Columbia Home Rule Act to increase the maximum pay for the chief financial officer (CFO) of the District of Columbia from \$199,700 to the salary of the Vice President of the United States (currently \$230,700). The salary of the District's CFO is paid for with local funds raised by the District of Columbia. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 3343 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On September 30, 2013, CBO transmitted a cost estimate for H.R. 2793, the District of Columbia Financial Efficiency Act of 2013, as ordered reported by the House Committee on Oversight and Government Reform on July 24, 2013. H.R. 2793 contains a provision similar to H.R. 3343, and the estimated costs of those provisions are the same.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

DISTRICT OF COLUMBIA HOME RULE ACT

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TITLE IV—THE DISTRICT CHARTER

* * * * *

PART B—THE MAYOR

* * * * *

CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

SEC. 424. (a) * * *

(b) APPOINTMENT OF THE CHIEF FINANCIAL OFFICER.—

(1) * * *

(2) TERM.—

(A) * * *

* * * * *

[(E) PAY.—The Chief Financial Officer shall be paid at an annual rate equal to the rate of basic pay payable for level I of the Executive Schedule.]

(E) PAY.—The Chief Financial Officer shall be paid at a rate such that the total amount of compensation paid during any calendar year does not exceed an amount equal to the limit on total pay which is applicable during the year under section 5307 of title 5, United States Code, to an employee described in section 5307(d) of such title.

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