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NEWS RELEASE

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House Passes D.C. Retirement Protection Improvement Act of 2004

Washington, D.C. - House Government Reform Committee Chairman Tom Davis (R-VA-11th) and House Democratic Whip Steny Hoyer (D-MD-5th) are pleased to announce that the U.S. House of Representatives last night unanimously approved H.R. 4657, "The District of Columbia Retirement Protection Improvement Act of 2004," which streamlines the administration of pension benefits for many D.C. retirees.

This legislation, introduced by Congressmen Davis and Hoyer, promotes more efficient investment, account and financial reporting of two D.C. pension funds – the D.C. Federal Pension Liability Trust Fund and the Federal Supplemental D.C. Pension Fund – by combining the two funds into a newly created D.C. Teachers, Police and Firefighters Pension Fund.

The bill also puts into law the appeal rights of those covered by the judges' retirement plan. Employees covered by this plan already have – by regulation, not by law – the same appeals rights as police officers, firefighters and teachers. This legislation would simply codify those regulations.

"This legislation simplifies and reorganizes the pension process through administrative corrections to help the many D.C. police officers, firefighters, and teachers that have given so much to make Washington a better city. We ought to make sure that we have the most efficient pension system so we can give back to them," said Congressman Davis.

Congressman Hoyer added, "This bill makes a commonsense adjustment to the management of pension funds for D.C. police officers, firefighters and teachers, many of whom work in the District of Columbia but reside in my home state of Maryland. These public servants have dedicated their careers to serving our communities and deserve to receive their pension in a way that makes their lives simpler when they retire."

In 1997, the two separate retirement funds were created with different rules – the Federal Supplemental D.C. Pension Fund could only be invested in public debt securities. Through a provision in an appropriations act, Congress later eliminated the distinctions between the two funds, thereby eliminating the rationale behind having two separate funds. This legislation will take the next logical step of consolidating the two funds and replacing them with the newly created D.C. Teachers, Police, and Firefighters Pension Fund.

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