

DISTRICT OF COLUMBIA CHIEF FINANCIAL OFFICER
VACANCY ACT

APRIL 12, 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. 1246]

The Committee on Oversight and Government Reform, to whom
was referred the bill (H.R. 1246) to amend the District of Columbia
Home Rule Act to provide that the District of Columbia Treasurer
or one of the Deputy Chief Financial Officers of the Office of the
Chief Financial Officer of the District of Columbia may perform the
functions and duties of the Office in an acting capacity if there is
a vacancy in the Office, having considered the same, report favor-
ably thereon without amendment and recommend that the bill do
pass.

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COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

In the event there is a vacancy in the office of the Chief Financial Officer of the District of Columbia, H.R. 1246, the District of Columbia Chief Financial Officer Vacancy Act authorizes the Mayor of the city to direct one of the five Deputy Chief Financial Officers to perform the duties of the office, serving as acting CFO until a successor can be appointed. If the mayor chooses not to direct a specific individual to perform these duties, the District of Columbia Treasurer (who is a Deputy CFO) would automatically assume the role of acting CFO. The legislation allows an acting CFO to be in place for up to 210 days.

BACKGROUND AND NEED FOR LEGISLATION

In the 1990s, the District of Columbia was bankrupt. Congress immediately stepped in to pass sweeping legislation to right the city's sinking fiscal ship.

Among the reforms created was the establishment of the office of the Chief Financial Officer (CFO) of the city. While appointed by the mayor, and confirmed by the city council (and reviewed by Congress), this position is independent from the city's elected officials to ensure complete autonomy in making decisions that will impact DC's financial health.

Dr. Natwar Gandhi is the city's current CFO, a position he has held since 2000. He was reappointed to a five year term in June 2012.

On February 1, 2013, Dr. Gandhi announced that he would be retiring from the position effective June 1, 2013.

The Mayor's office brought to the Committee's attention a potential ambiguity in the Home Rule Act that may lead some to question whether the Mayor has the authority to fill a temporary vacancy in the CFO Office. Any such unfilled vacancy in the CFO Office could have serious financial ramifications for the city.

Out of what the Mayor recently described as, "an abundance of caution," he requested in writing that Congress clarify that the Mayor has the ability to ensure DC has an acting CFO until one can be permanently appointed.

H.R. 1246—which generally parallels the Federal Vacancies Reform Act—simply reaffirms that the critical activities performed by the CFO office can continue without interruption should a vacancy arise.

LEGISLATIVE HISTORY

H.R. 1246 was introduced by Ms. Norton on March 19, 2013. The bill was ordered to be reported by voice vote by the full Oversight and Government Reform Committee on March 20, 2013.

SECTION-BY-SECTION

Section 1. Short title

This Act may be cited as the "District of Columbia Chief Financial Officer Vacancy Act."

Section 2. Authorizing District of Columbia Treasurer or Deputy Chief Financial Officer of the District of Columbia to serve as Acting Chief Financial Officer in the event of a vacancy in office

This section adds a new paragraph to the DC Home Rule Act authorizing the DC Treasurer or a Deputy CFO to perform the CFO duties in an acting capacity in the event of a vacancy in office.

Unless the Mayor directly appoints one of the five Deputy CFOs as Acting CFO, the DC Treasurer (who is one of the Deputy CFOs) will automatically assume the role. None of the Deputy CFOs may be appointed acting CFO if they have not served as a Deputy CFO for at least 90 days before the vacancy occurs.

The Acting CFO may only occupy that position for a total of 210 days, beginning on the date the vacancy occurs.

This legislation shall apply with respect to any vacancies that occur on or after the date of enactment.

EXPLANATION OF AMENDMENTS

There were no amendments to this legislation.

COMMITTEE CONSIDERATION

On March 20, 2013, the Committee met in open session and ordered reported favorably the bill, H.R. 1246, 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. In the event there is a vacancy in the office of the Chief Financial Officer of the District of Columbia, the District of Columbia Chief Financial Officer Vacancy Act authorizes the Mayor of the city to direct one of the five Deputy Chief Financial Officers to perform the duties of the office, serving as acting CFO until a successor can be appointed. As such this bill does not relate to employment or access to public services and accommodations.

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. 1246 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Fed-

eral 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. 1246 does not specifically 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 Mandates 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. 1246 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. 1246. However, clause 3(d)(3)(B) of that rule provides that this requirement 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. 1246 from the Director of Congressional Budget Office:

MARCH 27, 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. 1246, the District of Columbia Chief Financial Officer Vacancy Act.

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. 1246—District of Columbia Chief Financial Officer Vacancy Act

CBO estimates that enacting H.R. 1246 would have no effect on the federal budget. The bill would amend District of Columbia law to allow the District's Treasurer or one of the Deputy Chief Financial Officers to perform the functions and duties of the Chief Financial Officer of the District of Columbia in an acting capacity in the event of a vacancy. H.R. 1246 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1246 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. This 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) * * *

* * * * *

(D) VACANCIES.—~~Any vacancy~~ *Subject to paragraph (3), any vacancy* in the Office of Chief Financial Officer shall be filled in the same manner as the original appointment under paragraph (1).

* * * * *

(3) AUTHORIZING TREASURER OR DEPUTY CFO TO PERFORM DUTIES IN ACTING CAPACITY IN EVENT OF VACANCY IN OFFICE.—

(A) SERVICE AS CFO.—

(i) IN GENERAL.—*Except as provided in clause (ii), if there is a vacancy in the Office of Chief Financial Officer because the Chief Financial Officer has died, resigned, or is otherwise unable to perform the functions and duties of the Office—*

(I) the District of Columbia Treasurer shall serve as the Chief Financial Officer in an acting capacity, subject to the time limitation of subparagraph (B); or

(II) the Mayor may direct one of the Deputy Chief Financial Officers of the Office referred to in subparagraphs (A) through (D) of subsection (a)(3) to serve as the Chief Financial Officer in an acting capacity, subject to the time limitation of subparagraph (B).

(ii) EXCLUSION OF CERTAIN INDIVIDUALS.—*Notwithstanding clause (i), an individual may not serve as the Chief Financial Officer under such clause if the individual did not serve as the District of Columbia Treasurer or as one of such Deputy Chief Financial Officers of the Office of the Chief Financial Officer (as the case may be) for at least 90 days during the 1-year period which ends on the date the vacancy occurs.*

(B) TIME LIMITATION.—*A vacancy in the Office of the Chief Financial Officer may not be filled by the service of any individual in an acting capacity under subparagraph (A) after the expiration of the 210-day period which begins on the date the vacancy occurs.*

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