



PERSONNEL AND  
READINESS

UNDER SECRETARY OF DEFENSE  
4000 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-4000



JAN 19 1999

Mr. Bobby Harnage  
National President  
American Federation of Government Employees  
80 F Street, NW  
Washington, DC 20001

Dear Mr. Harnage: *Bobby*

This is in response to your letter dated December 18, 1998, concerning firefighter pay and the statutory prohibition against contracting out firefighting services.

As you have noted, the Federal Fire Fighters Overtime Pay Reform Act of 1998 requires changes to our payroll system. Because of the complexity of these changes and the need to avoid Y2K computer problems, the Defense Finance and Accounting Service (DFAS) will require additional time to make the necessary adjustments. However, we have worked hard within the Department to ensure that the firefighters receive their entitlements under the new Act as soon as possible. As Diane Disney outlined in her letter to you of December 22, we have taken steps to ensure that firefighters will receive the majority of the increase beginning with the pay period starting on January 3, 1999. This payment will be retroactive to the pay period that began October 11, 1998. Subsequent paychecks will reflect the majority of the increase until the final systems changes are made.

With regard to the contracting-out moratorium, let me assure you that the Department of Defense is not seeking any legislative change to or a repeal of the moratorium in 10 U.S.C. §2465. To avoid any misunderstanding with respect to the scope of section 2465, we are reviewing the specific cases you mention and working with our Office of General Counsel with respect to the statutory language. As always, any further suggestions you may have would be welcomed, and it may be useful to meet and discuss this issue as our review progresses.

If you have any further questions about these areas, please let me know.

Best wishes for a Happy New Year.

Sincerely,

Rudy de Leon

