



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Tuesday, December 21, 1999
CPM 99-8

MEMORANDUM FOR: Other Stakeholders

FROM: Henry Romero, Associate Director for Workforce Compensation and Performance

Subject: 1999 Annual Review of Special Salary Rates

The Office of Personnel Management has completed the 1999 annual review of existing special salary rates authorized under 5 U.S.C. 5305. This annual review, which is conducted in accordance with 5 CFR 530.304, determines the amounts by which special rate schedules will be adjusted in January 2000. Schedule adjustments result in corresponding adjustments in individual employees' special rates, as provided by 5 CFR 530.307. In conducting the annual review, we rely on the reviews conducted by agencies employing special rate employees. (See CPM 99-1, June 15, 1999.)

Out of a total of 427 special rate schedules covered by the 1999 annual review, 426 schedules are being increased in tandem with the 3.8 percent increase in General Schedule rates, resulting in a 3.8 percent special rate increase for all covered employees. One special rate schedule is not being increased.

In the case of special rate table 0544, which authorizes special rates for Department of Veterans Affairs (VA) clerical employees in Eastern Massachusetts, VA requested that special rates not be increased at all grades (GS-2 through GS-6). Most of the affected employees are already receiving a locality rate that exceeds the corresponding special rate. However, a small number of employees will receive a partial increase or no increase in their adjusted rates.

Locality payments are not paid on top of special rates. An employee is entitled to the higher of his or her special rate or locality rate of pay (or other pay entitlement). Since the net increase in locality-adjusted rates of pay exceeds 3.8 percent, some employees may see their locality rate surpass their special rate for the first time in January 2000. When this occurs, the special rate remains as an underlying entitlement that is used as the rate of basic pay for certain pay administration purposes for which locality rates cannot be used.

Effective in January 2000, there will be 427 special rate schedules covering approximately 126,000 positions (excluding approximately 30,300 law enforcement officers covered by table 0491, the rates for which are statutorily linked to the General Schedule). The January 2000 special rate schedules are available on the Office of Personnel Management's Internet website at: opm.gov/oca/payrates/index.htm.

Thank you for your cooperation and assistance in conducting the 1999 annual review of special rates.

Questions about this memorandum may be directed to our Pay and Leave Administration Division at (202) 606-2858; FAX: (202) 606-0824; or email payleave@opm.gov.