



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Thursday, December 14, 2000
CPM 2000-18

MEMORANDUM FOR: Human Resources Directors

FROM: Henry Romero Associate Director for Workplace Compensation and Performance

Subject: 2000 Annual Review of Special Salary Rates

The Office of Personnel Management (OPM) has completed the 2000 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 2001. 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 2000-9](#), June 19, 2000.)

Out of a total of 428 special rate schedules covered by the 2000 annual review, 411 schedules will be increased in tandem with the 2.7 percent increase in General Schedule rates, resulting in a 2.7 percent special rate increase for all covered employees. Fourteen special rate schedules will not be increased, and three special rate schedules will be terminated.

In the case of special rate table 544, 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-5). 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.

The Department of Justice requested that special rates not be increased for 13 authorizations that cover correctional officers because these employees are now receiving locality or geographic adjusted rates that exceed these special rates. The officers all receive locality payments or special geographic adjustments on top of the special statutory worldwide special rates for law enforcement officers at grades GS-3 through GS-10 under special rate table 491. The Department of Justice also requested that three authorizations be terminated (tables 116, 291, and 389) because the agency no longer has employees covered by these tables.

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 2.7 percent, some employees may see their locality rate surpass their special rate for the first time in January 2001. 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 2001, there will be 431 special rate schedules covering approximately 147,000 employees. This includes the six new special rate schedules established for information technology workers (see CPM 2000-17, December 1, 2000), but excludes approximately 30,600 law enforcement officers covered by table 491. The January 2001 draft special rate schedules are available on OPM's Internet website at: opm.gov/oca/payrates/index.htm.

Thank you for your cooperation and assistance in conducting the 2000 annual review of special rates.

For further information, please contact OPM's Pay and Leave Administration Division by email at payleave@opm.gov.