MEMORANDUM FOR: Heads Of Executive Departments And Agencies

FROM: John Berry
Director

Subject: Continued Freeze on Pay Adjustments for Federal Civilian Employees

On March 26, 2013, President Obama signed legislation to continue the freeze on statutory pay adjustments for most Federal civilian employees until December 31, 2013. (See section 1112 of the Consolidated and Further Continuing Appropriations Act, 2013, in Attachment 1). Pay schedules showing a 0.5 percent increase in Executive Order 13635, December 27, 2012, have been superseded.

Consistent with the Act, the President issued a memorandum on April 5, 2013, stating that any increases in pay systems or pay schedules covering executive branch employees or any general increases in covered employees’ rates of pay that could otherwise take effect as a result of the exercise of administrative discretion should not be made until after December 31, 2013. (See Attachment 2.) The President directed the U.S. Office of Personnel Management (OPM) to issue any necessary guidance on implementing this memorandum.

Agencies should continue to comply with the guidance in my memorandum of December 30, 2010. (See CPM 2010-24.) Any reference in that guidance to an expiration date of December 31, 2012, is hereby revised to December 31, 2013. Absent any intervening change in law, after the expiration of the Act, agencies may grant increases in pay schedules and general increases in covered employees’ rates of pay in accordance with their administrative discretion.

For general information on Federal pay, leave, and work scheduling policies, go to www.opm.gov/oca/index.asp. Employees should contact their agency human resources office for information on the continued freeze on pay adjustments for Federal civilian employees. Agency field human resources offices should contact their appropriate agency headquarters-level human resources office. Agency headquarters-level officials may contact Pay and Leave at OPM at pay-leave-policy@opm.gov. Requests from individual employees will be returned or forwarded to the appropriate agency human resources office.

Attachment 1—Section 1112 of Public Law 113-6

Attachment 2—Presidential Memorandum

cc: Chief Human Capital Officers and Human Resources Directors
Attachment 1—Section 1112 of Public Law 113-6

SEC. 1112.

a) Section 147 of the Continuing Appropriations Act, 2011 (Public Law 111–242), as added by section 1(a)(2) of the Continuing Appropriations and Surface Transportation Extensions Act, 2011 (Public Law 111–322; 5 U.S.C. 5303 note), is amended—
   1) In subsection (b)(1), by striking the matter after “ending on” and before “shall be made” and inserting “December 31, 2013,”; and
   2) In subsection (c), by striking the matter after “ending on” and before “no senior executive” and inserting “December 31, 2013,”.

b) Section 114 of the Continuing Appropriations Resolution, 2013 (Public Law 112-175; 5 U.S.C. note) is repealed.

Attachment 2—Presidential Memorandum

April 5, 2013

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Federal Employee Pay Schedules and Rates That Are Set by Administrative Discretion

Section 1112 of the Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6), reflects the Congress’s decision to continue to deny statutory adjustments to any pay systems or pay schedules covering executive branch employees. In light of the Congress’s action, I am instructing heads of executive departments and agencies to continue through December 31, 2013, to adhere to the policy set forth in my memoranda of December 22, 2010, and December 21, 2012, regarding general increases in pay schedules and employees’ rates of pay that might otherwise take effect as a result of the exercise of administrative discretion.

This memorandum shall be carried out to the extent permitted by law and consistent with executive departments’ and agencies’ legal authorities. This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

The Director of the Office of Personnel Management shall issue any necessary guidance on implementing this memorandum, and is also hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA