

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

Thursday, December 6, 2001

MEMORANDUM FOR: Heads Of Executive Departments And Agencies

FROM: President's Pay Agent

Subject: Extension of Locality Payments to Non-General Schedule Employees

On December 5, 2000, the President's Pay Agent extended locality-based comparability payments to certain categories of non-General Schedule employees. As required by law, the 2001 locality payments that were extended to these employees will remain in effect through the last day of the last pay period commencing during calendar year 2001.

The President's Pay Agent has decided to extend the 2002 locality-base comparability payments again to the same Governmentwide and single-agency categories that were authorized to receive the 2001 locality payments.

Locality payments will be extended to the Governmentwide categories with no further action required by any agency. Locality payments will be extended to the single-agency categories without any further action required by any agency unless the head of an executive agency requests otherwise. This is because the law (5 U.S.C.5304(h)(2)(A)) provides that locality payments may be extended to single-agency categories of employees only at the request of the head of an executive agency.

Please notify the Director of the Office of Personnel Management (OPM) at the address shown below by **December 17, 2001**, if you do **not** want the 2002 locality payments extended to a single-agency employee category in your agency for which such payments were previously authorized by the Pay Agent. Please note that a decision not to extend the 2002 comparability payments to a category of employees means that those employees would no longer be entitled to any locality payment. The law does not permit the Pay Agent to deny only that portion of the locality payment attributable to the 2002 increase in locality pay. All employees in a given locality pay area who receive locality payments must receive the same percentage as received by General Schedule employees in that area in 2002. (For your convenience, a list of the Governmentwide and single-agency categories that are now receiving locality payments under the Pay Agent's authority is provided in the attachments to this memorandum.)

New requests for extending locality-based comparability payments to single-agency categories of non-General Schedule employees should be submitted by the agency head or his or her designee to the following address by **December 17,2001**, to ensure that the extension takes effect on the first day of the first pay period beginning on or after January 1, 2002:

The Honorable Kay Coles James Director Office of Personnel Management 1900 E Street NW. Washington, DC 20415-0001

In your request, please include information on--

- (1) the legal authority under which the employees are paid,
- (2) the types of employees to be paid, and
- (3) the number of employees to be paid.

Also, please fax a copy of your request to (202) 606-0824. Please direct questions about the extension of locality-based comparability payments to Brenda Roberts, of OPM's Workforce Compensation and Performance Service, at (202) 606-2858 or email to <u>payleave@opm.gov</u>.

For the President's Pay Agent:

Kay Coles James, Director

Office of Personnel Management

- To <u>Attachment 1 GOVERNMENTWIDE CATEGORIES OF NON-GENERAL</u> SCHEDULE EMPLOYEES
- To Attachment 2 LOCALITY PAY EXTENSIONS SINGLE-AGENCY CATEGORIES OF NON-GENERAL SCHEDULE EMPLOYEES
- To Compensation Administration Home Page

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