

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

Thursday, March 28, 2019 CPM 2019-14

MEMORANDUM FOR: HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: MARGARET M. WEICHERT, ACTING DIRECTOR

Subject: Modified Pay Freeze for Certain Senior Political Officials

In a memorandum issued on January 4, 2019 (CPM 2019-01), I advised agency heads that the U.S. Office of Personnel Management (OPM) would issue guidance regarding the continuation of the pay freeze for certain senior political officials once Congress enacted legislation clarifying the status of the pay freeze. Congress enacted such clarifying legislation in section 749 of division D of the Consolidated Appropriations Act, 2019 (Public Law 116-6, February 15, 2019).

Section 749 continues the pay freeze during calendar year 2019, except that it allows for an increase of up to 1.9 percent in the preexisting payable (frozen) rate for covered officials. The preexisting frozen rates are based on 2013 pay levels, since the pay freeze has applied since January 2014 under a series of laws. Section 749 has the effect of making the modified pay freeze retroactively applicable beginning with the first pay period commencing in 2019. The section 749 pay freeze is scheduled to end on the last day of the last pay period that begins in calendar year 2019 (i.e., January 4, 2020, for those on the standard biweekly payroll cycle). Future Congressional action will determine whether the pay freeze continues beyond that date.

The pay freeze applies to the **payable** rates for covered senior political officials. The freeze does not affect the **official** rates for the Vice President and the Executive Schedule, which are adjusted under normally applicable law without regard to the pay freeze. While not payable to freeze-covered officials, those official rates continue to be used in establishing pay limitations for employees not covered by the pay freeze. By law, the official rates for the Vice President and the Executive Schedule must be adjusted effective at the beginning of the first pay period commencing in the month in which an adjustment in the base rates of pay under the General Schedule takes effect under 5 U.S.C. 5303. Since section 748 of division D of the Consolidated Appropriations Act, 2019, provided for a 1.4 percent increase in General Schedule base rates effective on the first day of the first pay period beginning in January 2019, the official rates for the Vice President and the Executive Schedule were also increased by 1.4 percent on that same retroactive effective date. (See 3 U.S.C. 104 and 5 U.S.C. 5318.) (We are issuing a separate guidance memorandum regarding pay adjustments made as a result of section 748.)

The detailed guidance attached to this memorandum provides information on the employees covered by the pay freeze, the rates of pay affected, the application and effective date of the special increases of up to 1.9 percent, the bar on other increases, and exceptions to the pay freeze.

Questions

Agency headquarters-level human resources offices may contact OPM at <u>pay-leave-policy@opm.gov</u>. Employees should contact their agency human resources offices for assistance.

Attachment (see 508-conformant PDF below)

cc: Chief Human Capital Officers (CHCOs), Deputy CHCOs and Human Resources Directors