



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Monday, March 30, 1998
CPM 98-Y

MEMORANDUM FOR: Heads Of Executive Departments And Agencies

FROM: Janice R. Lachance Director

Subject: Staffing to Resolve the Year 2000 Computer Conversion

We want to make every effort to give you the human resources management tools you need to resolve the Year 2000 computer conversion problem. There are two such tools available now that you may find useful. One is the waiver of dual compensation reductions, making it easier to re-employ annuitants who have the programming skills and system knowledge that you may need. The other tool is the use of premium pay to attract and retain employees in emergency situations.

Dual Compensation Waivers for Retirees

I have determined that the Year 2000 computer conversion problem is an "unusual circumstance" under the dual compensation waiver provisions of 5 U.S.C. 5532(g)(1)(B) [military retirement], 5 U.S.C. 8344(i)(1)(B) [CSRS], and 5 U.S.C. 8468(f)(1)(B) [FERS]. This determination is necessary to allow waivers of the reduction of pensions for re-employed retired regular military officers and waivers of the reduction of pay for re-employed civilian annuitants.

The law does not allow us to provide a blanket waiver. We can act only in response to your request, but we can expedite that process. To obtain and use delegated waiver authority:

1. Please write, asking for the delegation. The [attached model letter](#) has in it all the elements that are required by regulation (5 CFR 553.202).
2. OPM will respond by the next business day.
3. When OPM delegates the authority to your agency, laws require that you, as agency head, exercise the authority. . . " . . . on a case-by-case basis, for an employee serving on a temporary basis, but only if, and for so long as, the authority is necessary due to an emergency involving a direct threat of life or property, or other unusual circumstance."

Your internal case-by-case review does not have to be elaborate. You may, for example, develop your own fill-in-the-blank forms.

Delegations from OPM will be limited to computer-related positions established to work on the Year 2000 conversion. Initial waivers authorized under agency delegations will expire not later than March 31, 2000. Agencies may request a longer period now, or later request an extension, if they provide full justification.

If you decide not to request a delegation, you may ask us to act on specific cases. The procedure for doing that is described at 5 CFR 553.201. These requests will receive the same prompt attention.

Questions on this matter may be referred to Larry Lorenz, Staffing Reinvention Office, Employment Service at (202) 606-0830 (FAX (202) 606-0390) or by E-mail at ltlorenz@opm.gov.

Premium Pay for Employees Performing Emergency Work

Agencies have authority under the law (5 U.S.C. 5547(b)) and OPM regulations (5 CFR 550.106) to make exceptions to the biweekly limitation on premium pay when the head of an agency or his or her designee determines that an emergency involving a direct threat to life or property exists. When such a determination is made, an employee who is performing work in connection with the emergency must be paid premium pay--e.g., overtime, night, Sunday, or holiday pay--under the annual limitation of GS-15, step 10, rather than the GS-15, step 10, biweekly limitation.

I encourage agencies to exercise this authority in the case of any employee who performs emergency work to resolve a direct threat to property (including monetary errors or cost) in connection with updating computer systems to prevent malfunction, erroneous computations, or other problems associated with the inability to distinguish between the year 1900 and the year 2000. Agency heads are authorized to make a determination about whether or not an emergency posing a direct threat to property exists. Entitlement to premium pay under the annual limitation must be made effective as of the first day of the pay period in which the emergency is determined to have begun.

By exercising this authority in appropriate situations, agencies will be able to ensure that General Schedule employees who perform significant amounts of overtime work (or work at night, on Sunday, or on a holiday) related to Year 2000 problems will be appropriately compensated for that work, as long as the premium pay they receive does not cause their total pay to exceed the rate for GS-15, step 10, on an annual basis.

Questions on this matter may be referred to OPM's Pay and Leave Administration Division at (202) 606-2858 (FAX (202) 606-0824) or by E-mail at payleave@opm.gov

- To [Attachment - Model Language for Year 2000 Conversion Request for Delegated Dual Compensation Waiver Authority](#)
- To [Compensation Administration Home Page](#)

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