

Personnel Management, 1900 E Street, NW., Room 3349, Washington, DC 20415-3540;
and

Allison Eydt, OPM Desk Officer, Office of Information & Regulatory Affairs, Office of Management and Budget, New Executive Office Building, NW., Room 10235, Washington, DC 20503.

FOR INFORMATION REGARDING

ADMINISTRATIVE COORDINATION—CONTACT:

Cyrus S. Benson, Team Leader, Publications Team, RIS Support Services, Support Group, (202) 606-0623.

Office of Personnel Management.

Kay Coles James,

Director.

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**OFFICE OF PERSONNEL
MANAGEMENT**

**Federal Prevailing Rate Advisory
Committee; Open Committee Meetings**

According to the provisions of section 10 of the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given that meetings of the Federal Prevailing Rate Advisory Committee will be held on—

Thursday, August 21, 2003,
Thursday, September 18, 2003,
Thursday, October 2, 2003.

The meetings will start at 10 a.m. and will be held in Room 5A06A, Office of Personnel Management Building, 1900 E Street, NW., Washington, DC.

The Federal Prevailing Rate Advisory Committee is composed of a Chair, five representatives from labor unions holding exclusive bargaining rights for Federal blue-collar employees, and five representatives from Federal agencies. Entitlement to membership on the Committee is provided for in 5 U.S.C. 5347.

The Committee's primary responsibility is to review the Prevailing Rate System and other matters pertinent to establishing prevailing rates under subchapter IV, chapter 53, 5 U.S.C., as amended, and from time to time advise the Office of Personnel Management.

This scheduled meeting will start in open session with both labor and management representatives attending. During the meeting either the labor members or the management members may caucus separately with the Chair to devise strategy and formulate positions. Premature disclosure of the matters discussed in these caucuses would unacceptably impair the ability of the Committee to reach a consensus on the

matters being considered and would disrupt substantially the disposition of its business. Therefore, these caucuses will be closed to the public because of a determination made by the Director of the Office of Personnel Management under the provisions of section 10(d) of the Federal Advisory Committee Act (Pub. L. 92-463) and 5 U.S.C. 552b(c)(9)(B). These caucuses may, depending on the issues involved, constitute a substantial portion of a meeting.

Annually, the Chair compiles a report of pay issues discussed and concluded recommendations. These reports are available to the public, upon written request to the Committee's Secretary.

The public is invited to submit material in writing to the Chair on Federal Wage System pay matters felt to be deserving of the Committee's attention. Additional information on this meeting may be obtained by contacting the Committee's Secretary, Office of Personnel Management, Federal Prevailing Rate Advisory Committee, Room 5538, 1900 E Street, NW., Washington, DC 20415 (202) 606-1500.

Dated: August 4, 2003.

Mary M. Rose,

*Chairperson, Federal Prevailing Rate
Advisory Committee.*

[FR Doc. 03-20446 Filed 8-11-03; 8:45 am]

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**OFFICE OF PERSONNEL
MANAGEMENT**

**Personnel Demonstration Project;
Alternative Personnel Management
System for the U.S. Department of
Commerce**

AGENCY: Office of Personnel Management.

ACTION: Notice of modification to the Department of Commerce Personnel Management Demonstration Project.

SUMMARY: Title VI of the Civil Service Reform Act, now codified in 5 U.S.C. chapter 47, authorizes the Office of Personnel Management (OPM) to conduct demonstration projects that experiment with new and different human resources management concepts to determine whether changes in policies and procedures result in improved Federal human resources management. On December 24, 1997, OPM approved a demonstration project covering several operating units of the U.S. Department of Commerce (DoC). In accordance with 5 CFR 470.315, this notice modifies the existing provisions for the assignment of augmented service

credit for reduction-in-force purposes under the performance appraisal system.

DATES: This notice modifying the DoC Demonstration Project is effective August 12, 2003.

FOR FURTHER INFORMATION CONTACT:

Department of Commerce: Edward Liverani, U.S. Department of Commerce, 14th and Constitution Avenue NW., Room 5004, Washington, DC 20230, (202) 482-0272; Office of Personnel Management: Delmar D. White, U.S. Office of Personnel Management, 1900 E Street NW., Room 6H31, Washington, DC 20415, (202) 606-1578.

SUPPLEMENTARY INFORMATION:

1. Background

OPM approved the Department of Commerce Demonstration Project and published the final plan in the **Federal Register** on Wednesday, December 24, 1997, Volume 62, Number 247, part II. The project was implemented on March 29, 1998, and modified in the **Federal Register** on Thursday, September 30, 1999, Volume 64, Number 189 [Notices] [Page 52810-52812]. On February 14, 2003, OPM authorized an extension of the demonstration project to March 28, 2008, to provide time to test and evaluate the large number of innovations implemented under this project.

Office of Personnel Management.

Kay Coles James,

Director.

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I. Executive Summary

The Department of Commerce Demonstration Project utilizes many features similar to those implemented by the National Institute of Standards and Technology (NIST) Demonstration Project in 1988. The key features of the project involve increased delegation of authority and accountability to line managers, simplified classification and broad banding, pay for performance, hiring and pay-setting flexibilities, and modified reduction-in-force procedures. The DoC project is designed to test whether the innovations of the NIST project, which is now a permanent system, can be successful in other DoC environments. The participating organizations include the Technology Administration, the Bureau of Economic Analysis, the Institute for Telecommunication Sciences, and three units of the National Oceanic and

Atmospheric Administration: Office of Oceanic and Atmospheric Research, National Marine Fisheries Service, and the National Environmental Satellite, Data, and Information Service.

II. Basis for Project Plan Modification

There are two types of ratings of record that may be assigned to employees within the DoC Demonstration Project: *eligible* and *unsatisfactory*. *Eligible* is a rating indicating an acceptable level of performance. *Unsatisfactory* is a rating indicating an unacceptable level of performance.

Currently the demonstration project provides additional service retention credit only to those employees with a rating of record of *eligible* and whose overall performance score ranks within the top 30 percent of all scores within their pay pool. These employees are credited with 10 years of additional service retention credit in the event of a reduction-in-force. The total additional service retention credit that may be awarded to an employee is based on each of the employee's three most recent annual performance scores received during the 4-year period immediately prior to an established cutoff date. The potential additional service retention credit, therefore, totals 30 years. No additional service retention credit is awarded to employees who have not received a score in the top 30 percent of their pay pool. In accordance with the demonstration project, DoC also does not provide any performance-related retention credit to employees who are hired or transfer into the demonstration project from any other performance appraisal system.

Project evaluations and comments received from employees and employee groups (e.g., unions) indicate that the current policy of limiting additional service retention credit to employees within the top 30 percent of all scores in their pay pool is unfairly weighted against other employees who have achieved an acceptable level of performance but who did not score within the top 30 percent.

To address this issue, the DoC Departmental Personnel Management Board (DPMB) has approved a modification to the project plan to provide additional service retention credit to all employees rated *eligible* within the demonstration project, even if their scores do not fall within the top 30 percent of their pay pool. All employees rated *eligible*, other than the top 30 percent, will be awarded an additional 5 years of service retention credit for each *eligible* rating of record in the event of a reduction-in-force. The

total additional service retention credit that may be awarded to an employee is based on each of the employee's three most recent annual performance scores received during the 4-year period immediately prior to an established cutoff date.

The Department of Commerce plans to expand the demonstration project to include other organizations within the Department. Various officials expressed concern that the current policy places new employees at a disadvantage because no prior performance-related retention credit is permitted. In response to these concerns, the DPMB approved a new policy of awarding performance-related retention credit for Federal employees who are hired or transfer into the demonstration project.

III. Changes to the Project Plan

The following discussion refers readers to the substantive changes to the project plan. The referenced page number refers to the page in the final plan, published in the **Federal Register** on December 24, 1997, and the notice of modification to that plan published in the **Federal Register** on September 30, 1999.

Page 67451. Replace Paragraph C.3 "Link between Performance and Retention" in its entirety as follows: An employee rated *eligible* with an overall performance score within the top 30 percent of scores within a pay pool (See Performance Evaluation and Rewards) will be credited with 10 additional years of service for retention credit. An employee rated *eligible* with an overall performance score that does not fall within the top 30 percent of scores within a pay pool will be credited with 5 additional years of service for retention credit. The total credit will be based on the employee's three most recent annual performance scores received during the 4-year period prior to an established cutoff date.

Employees who convert to this system from any other performance appraisal system within the Federal Government will receive 5 additional years of service for retention credit for each performance rating of record equivalent to an *eligible* rating in the demonstration project. Just as with other employees in the project, the total credit will be based on the employee's three most recent annual performance scores received during the 4-year period prior to an established cutoff date. Career status and veteran preference will continue to have the same effect on retention standing as they now have under current regulations.

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SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #P013]

State of North Dakota

As a result of the President's major disaster declaration for Public Assistance on August 1, 2003, the U.S. Small Business Administration is activating its disaster loan program only for private non-profit organizations that provide essential services of a governmental nature. I find that Barnes County in the State of North Dakota constitutes a disaster area due to damages caused by severe storms and high winds occurring on June 24 and June 25, 2003. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on September 30, 2003 at the address listed below or other locally announced locations: Small Business Administration, Disaster Area 3 Office, 14925 Kingsport Rd., Ft. Worth, TX 76155-2243.

The interest rates are:

	Per- cent
<i>For Physical Damage:</i>	
Non-Profit Organizations Without Credit Available Elsewhere	2.953
Non-Profit Organizations With Credit Available Elsewhere	5.500

The number assigned to this disaster for physical damage is P01311.

(Catalog of Federal Domestic Assistance Program Nos. 59008).

Dated: August 6, 2003.

Cheri L. Cannon,
Acting Associate Administrator for Disaster Assistance.

[FR Doc. 03-20518 Filed 8-11-03; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3528, Amdt. 3]

State of Ohio

In accordance with the notice received from the Department of Homeland Security—Federal Emergency Management Agency, effective August 4, 2003, the above numbered declaration is hereby amended to include Columbiana and Mahoning Counties as disaster areas due to damages caused by severe storms and flooding occurring on July 4, 2003, and continuing through July 11, 2003.

In addition, applications for economic injury loans from small businesses located in the contiguous counties of Carroll, Jefferson, Portage, Stark, and