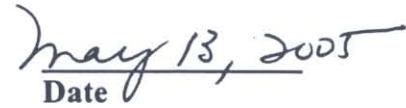



Approved for Release
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Date

DEPARTMENT OF COMMERCE
OFFICE OF HUMAN RESOURCES MANAGEMENT

HUMAN RESOURCES (HR) BULLETIN # 008, FY05, 5 USC 5305

SUBJECT: Changes in Special Rate Schedules

EFFECTIVE DATE: May 1, 2005

EXPIRATION DATE: Effective until canceled or superseded

SUPERSEDES: Maximum special rate under 5 U.S.C. 5305(a)(1) and entitlement to special rates under 5 U.S.C. 5305(h)

BACKGROUND: Section 301 of the Workforce Flexibility Act of 2004 (Public Law 108-411) amended provisions in 5 U.S.C. Chapter 53 relating to special pay rates, locality rates, and retained rates.

PURPOSE: The purpose of this HR Bulletin is to correct pay administration anomalies that will allow the Office of Personnel Management (OPM) to treat special rates and locality rates in similar ways for the purpose of promotions, pay retention, and movements between pay systems and schedules. It will also assist in the application of complex pay administration rules and improve the effectiveness of the special salary rates program as a recruitment and retention tool.

PROCEDURES: In accordance with 5 U.S.C. 5305(a)(1), the maximum special rate that may be authorized is increased from level V of the Executive Schedule (\$131,400) to level IV of the Executive Schedule (\$140,300). As a result, the payable special rates at the higher steps of grade GS-15 are increased on special rate schedules (special rate tables 0576 for selected Patent and Trademark Office employees involved in patent examination).

Under 5 U.S.C. 5305(h), an employee's entitlement to a special rate is eliminated if the employee is entitled to a higher rate of basic pay, such as a locality rate under 5 U.S.C. 5304. As a result, specific special rate tables are terminated as of May 1, 2005, since the higher locality rates apply at all steps of each grade covered. Also, certain grades or steps of a grade are deleted from special rate schedules where locality pay is now higher at all the steps of the grade or at certain steps of the grade. In a number of special rate schedules that cover multiple geographic areas or locality pay areas, certain geographic areas or locality pay areas are removed because the locality

rates in those areas are higher than the special rates at all grades and steps. Note that the reduction of a special rate because of a geographic move will not trigger pay retention (i.e., the same treatment as applies to a locality rate).

REFERENCES: The Federal Workforce Flexibility Act of 2004 (Public Law 108-411, October 30, 2004). OPM's web application may be used to view all individual active special salary rate tables or to find an individual special salary rate table by occupation and agency. The site is located at <http://apps.opm.gov/ssr/tables/index.cfm>.

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