

Federal Prevailing Rate Advisory Committee

645th FPRAC

Janice R. Lachance, Chair, Presiding

Thursday, April 20, 2023

Virtual Meeting via Microsoft Teams

Office of Personnel Management

Washington, D.C. 20415

Attendance:

Members/Alternates:

Management Members:

Mark Allen, OPM

Mandy Laughlin, Army

Sonja Loss, Navy

Ophelia Ann Vicks, VA

Labor Members:

Jacqueline Simon, AFGE

Richard Loeb, AFGE

Felicia Neale, ACT

Staff Specialists and Visitors:

Brenda Roberts, Designated Federal Officer, OPM

Ana Paunoiu, OPM

Samantha Bono, OPM

Christopher Lynch, DoD

Karl Fendt, DoD

Gary Kistner, DoD

Christine Wlezien, DoD

Roy Poorker, DOD

Erica Abiera, DoD

Kieu Nguyen, DoD

Jerry Dollente, DoD

Kimberly Eidson, Air Force

JeeYoung Kang, Army

Brandon Anderson, Navy

Sheila Willis, VA

Keyonna Butler, VA
Paul O'Connor, MTD
Chad Branning, NAGE local Topeka, KS
LCDR Dan Pullium, Naval Support Activity Monterey
Jeremy Tisdale, Federal Correctional Complex Butner
Susan Sato, GAO
Clarette Yen, GAO
Alice Yin, GAO
Recording Secretary:
Mike Eicher, OPM
[Transcript prepared from digital audio produced by FPRAC.]

Proceeding

I.	Opening Announcements and Introductions	4
II.	Review of the Minutes of the 644th Meeting	7
III.	Old Business	8
	a. Letter from the American Federation of Government Employees, Dated September 6, 2018, Requesting FPRAC Review a Proposal to Not Allow Federal Wage System Wage Area Boundaries to Split General Schedule Locality Pay Areas and a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area, 620-AFGE-1	8
	b. Letter from the American Federation of Government Employees, Dated September 3, 2019, Requesting FPRAC Recommend Redefining San Joaquin County, CA, from the Stockton, CA, Wage Area to the San Francisco, CA, Wage Area, 627-AFGE-1	9
	c. Letter from the National Association of Government Employees, Dated September 25, 2019, Requesting FPRAC Reexamine the Placement of Wage Grade Employees Working in the Salinas-Monterey, CA, Wage Area, 628-NAGE-1	9
	d. Letter from the Association of Civilian Technicians, Dated November 9, 2019, Requesting FPRAC Consider Moving the Puerto Rico Wage Area into the Special Appropriated Fund Schedule for U.S. Insular Areas, 629-ACT-1	10
	e. Email from the American Federation of Government Employees, Dated May 23, 2022, Requesting FPRAC Review a Proposal to Unify the WG schedules at the Federal Correctional Complex Butner, 639-AFGE-1	10
	f. DRAFT, Prevailing Rate Advisory Committee Annual Summary, 2022, 643-OC-1	11
	g. Email message from Ms. Kathleen Pagano regarding pay disparities at the Naval Facilities Engineering Systems Command Mid-Atlantic, Public Works Department, 643-OC-7	
	11	
IV.	New Business.....	13
	a. Email from the American Federation of Government Employees, Dated February 13, 2023, Requesting FPRAC Review a Proposal to Redefine the Canyonlands National Park to the Southeastern Arizona FWS Wage Area, 645-AFGE-1	13
	b. Redefinition of Canyonlands National Park and review of Beaver, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, San Juan, Sevier, Wayne, and Washington Counties, Utah, 645-MGT-1	13
	c. North American Industry Classification System Based Federal Wage System Wage Surveys (2022 Update), 645-MGT-2.....	13
	d. Request to Release FPRAC Working Group Wage Area Reviews to the Government Accountability Office, 645-OPM-1	13

I. Opening Announcements and Introductions

Chair Lachance: Good morning, everybody, and welcome to the 645th meeting of the [Federal] Prevailing Rate Advisory Committee. It's April 20th, and it's now 10 a.m., which is the start time—actually 10:02. We are holding the meeting virtually today, and it will be recorded as usual. A verbatim transcript will be provided to all members for your review at the next meeting. For those of you who I haven't been online with for months now, my name is Janice Lachance, and I chair this committee.

So let's start with introductions so we have everybody on record. I'm going to start with the management members. OPM?

Mr. Allen: This is Mark Allen for the OPM staff.

Chair Lachance: Great. DoD?

Mr. Lynch: Christopher Lynch with DoD.

Chair Lachance: Great. Army?

Ms. Laughlin: Hi. This is Mandy Laughlin. I'm here for Army.

Chair Lachance: Thank you, Mandy. Navy?

Ms. Loss: Hi. This is Sonja Loss. I'm dialing in on my phone, could not connect on Teams, and I believe Brandon Anderson is with me on Teams. Thank you.

Chair Lachance: Great. Thank you, Sonja. The VA?

Ms. Willis: And good morning, everyone. This is Sheila Willis, and I have Keyonna Butler with me. And Ann Vicks will be joining us, but she will be late in attending. She had another meeting, so thank you.

Chair Lachance: All right. Thank you. Moving over to our Union members. Metal Trades?

Mr. O'Connor: Metal Trades. Paul O'Connor is here.

Chair Lachance: Great. AFGE?

Mr. Loeb: Richard Loeb here. Is Jacque there?

Ms. Simon: Yeah. I'm on—I'm on the phone.

Chair Lachance: Great. It's great to have both of you. NAGE?

[No audible response.]

Chair Lachance: Okay. And ACT?

[No audible response.]

Chair Lachance: We're fortunate that we have Brenda Roberts here with us as well. She is here in her role as the Designated Federal Official under the Federal Advisory Committee Act. Brenda, thank you for joining us.

For the staff who are attending, could you introduce yourselves?

Ms. Paunoui: Good morning. This is Ana Paunoiu, OPM.

Ms. Bono: Hi. This is Samantha Bono, OPM.

Mr. Eicher: Mike Eicher, OPM.

Chair Lachance: And do we have any— I'm sorry. Go ahead.

Mr. Fendt: No, I think I was just getting ahead of what you were going to say.

This is Karl Fendt. I'm here advising for the Federal Wage System.

Chair Lachance: Great.

Mr. Fendt: And I have got various wage employees with me on the line, and we shared that information with Ana earlier.

Chair Lachance: Oh, perfect. Thank you, Karl. It's important that we have a record of who's attending these public meetings.

Any guests beyond the—beyond staff who are—

Ms. Eidson: Hi. This is Kim Eidson. I'm attending for Air Force.

Chair Lachance: Air Force. Okay.

Ms. Neale: And this is Felicia Neale, attending for ACT.

Chair Lachance: Good. Anyone else?

Ms. Paunoui: We have a guest: Mr. Branning. I think he is with NAGE. Right, Mr.

Branning? Can you hear us?

[No audible response.]

Ms. Paunoui: You are on mute.

[Pause.]

Ms. Laughlin: Hi. This is Mandy from Army. I just wanted to make you aware that

Ms. JeeYoung Kang is also here as a guest with Army.

Chair Lachance: Great. Thank you.

LCDR Pullium: Good morning, everyone. This is Lieutenant Commander Dan Pullium, Public Works Officer, Monterey, California.

Chair Lachance: Great. Thank you for being here.

LCDR Pullium: Thank you.

Ms. Sato: Hi. This is Susan Sato with GAO. I also have two of my colleagues on the line.

Chair Lachance: Thank you for being here. We are going to mention the GAO inquiries a little later in the agenda. Anyone else, so we can have an accurate record?

[No audible response.]

Chair Lachance: It's great to have everybody. I really appreciate it. It looks like we have almost a full roster of the members and look forward to people joining as the meeting proceeds.

I would first like to note that FPRAC held its 10th working group meeting to consider potential recommendations for reforms to the FWS, and that was held on March 30th. We hope to continue with that process and see if we can't come up with some thoughts for the full committee.

There are no other announcements on the agenda this morning, but does anyone else have an announcement they'd like to make, even if it is not on the agenda?

[No audible response.]

Chair Lachance: I guess silence says it all. Thank you.

II. Review of the Minutes of the 644th Meeting

Chair Lachance: So we can move to review the transcript of the last public meeting, which was held on February 16th. Are there any changes anyone wants to bring to our attention?

[No audible response.]

Chair Lachance: If there are none, is there any objection to adopting the transcript of the last meeting?

Mr. Allen: No objection.

Chair Lachance: Thank you, Mark. I'm not hearing anything from anyone else, so we'll go ahead and adopt the transcript. Thank you very much.

III. Old Business

a. Letter from the American Federation of Government Employees, Dated September 6, 2018, Requesting FPRAC Review a Proposal to Not Allow Federal Wage System Wage Area Boundaries to Split General Schedule Locality Pay Areas and a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area, 620-AFGE-1

- Letter from the American Federation of Government Employees, Dated March 22, 2022, Requesting FPRAC Review a Proposal to Limit all Non-Rest of U.S. General Schedule Locality Pay Areas to no more than one Federal Wage System Wage Area and a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area, 637-AFGE-1
- 2022 Update to Review of Monroe County, Pennsylvania, 638-OPM-2
- Estimated 5-Year Cost Projection of Application of FPRAC Document 620-AFGE-1, 622-OPM-1
- Paper Pay Disparity at Tobyhanna Army Depot by Joseph P. Lynott Sr., 623-OC-2
- Email Message from Steven R. Kester in Support of the Proposal to Move Monroe County, PA, to the New York, NY, Wage Area, 623-OC-3
- Letters from Steven R. Kester Regarding the Pay Disparity Between FWS and GS Employees at Tobyhanna Army Depot, 627-OC-1 and 633-OC-1, 637-OC-2, 637-OC-3, 640-OC-1

- Employment Distribution at Tobyhanna Army Depot, 634-OPM-1, and 2022 Update to GS and FWS Employment Distribution at Tobyhanna Army Depot, 638-OPM-3
- Market Rates vs Schedule Rates for Electronics Mechanics (Series 2604) Tobyhanna Army Depot, 634-OPM-2, and 2022 to Market Rates vs Schedule Rates, 637-OPM-4

b. Letter from the American Federation of Government Employees, Dated September 3, 2019, Requesting FPRAC Recommend Redefining San Joaquin County, CA, from the Stockton, CA, Wage Area to the San Francisco, CA, Wage Area, 627-AFGE-1

- Review of San Joaquin County, California, 629-MGT-1

c. Letter from the National Association of Government Employees, Dated September 25, 2019, Requesting FPRAC Reexamine the Placement of Wage Grade Employees Working in the Salinas-Monterey, CA, Wage Area, 628-NAGE-1

- Review of the Salinas-Monterey, California, Federal Wage System Wage Area, 629-MGT-2
- Request for the abolishment of the Monterey/Salinas wage survey area, 632-NAGE-1, 636-NAGE-1, 641-NAGE-1, and 641-NAGE-2

d. Letter from the Association of Civilian Technicians, Dated November 9, 2019, Requesting FPRAC Consider Moving the Puerto Rico Wage Area into the Special Appropriated Fund Schedule for U.S. Insular Areas, 629-ACT-1

- 2016 Study by NOAA Describing the Ocean Economies of the U.S. Virgin Islands and Puerto Rico, 629-ACT-2
- Review of the Puerto Rico Federal Wage System Wage Area, 631-MGT-1
- Puerto Rico Wage Grade Adjustment 2020, 631-ACT-1
- Letter from the Association of Civilian Technicians Requesting FPRAC Delay the Vote on the ACT Puerto Rico Proposal until April/May 2021, 636-ACT-1

e. Email from the American Federation of Government Employees, Dated May 23, 2022, Requesting FPRAC Review a Proposal to Unify the WG schedules at the Federal Correctional Complex Butner, 639-AFGE-1

- Supporting Documentation submitted by Federal Correctional Complex Butner employees, 639-AFGE-2 through 639-AFGE-7
- Email from Federal Correctional Complex Butner FWS employees requesting an update on FPRAC Review of an AFGE Proposal to Unify the WG schedules at the Federal Correctional Complex Butner, 632-OC-2
- Additional Supporting Documentation submitted by Federal Correctional Complex Butner employees, 634-OC-3 through 634-OC-6
- Review of Durham and Granville Counties, North Carolina, 644-MGT-1

- f. DRAFT, Prevailing Rate Advisory Committee Annual Summary, 2022, 643-OC-1
- g. Email message from Ms. Kathleen Pagano regarding pay disparities at the Naval Facilities Engineering Systems Command Mid-Atlantic, Public Works Department, 643-OC-7
 - Letter from Sen. Elizabeth Warren (D-MA), Sen. Edward J. Markey (D-MA), Sen. Jack Reed (D-RI), and Sen. Sheldon Whitehouse (D-RI) to OPM in support of the 2010 Federal Prevailing Rate Advisory Committee (FPRAC) recommendation to consolidate Federal Wage System (FWS) wage areas that lie within General Schedule (GS) locality pay areas, Dated February 19, 2020, 643-OC-8

Chair Lachance: Now there are still items under Old Business on the agenda that stay on the agenda while the working group considers the possibility of developing recommendations for reform within the FWS. So rather than reading through all of the Old Business items, is it still the committee's consensus that action on these items should be deferred for the next few months while the working group is meeting, or does anyone want to raise anything about any of those items this morning?

[No audible response.]

Chair Lachance: We can go on then to the next item. At the January meeting, you will recall that we introduced the Calendar Year 2022 Annual Summary of the work of FPRAC. That is now listed under Old Business since some members expressed their desire to take a closer look at it and perhaps make some edits. Does anybody have edits, and have the members had a chance to take a look at it? OPM has not received

any edits from anyone. So we can, as a committee, adopt the summary or defer it again and give you all another chance to look at it. What's the thinking of the group?

[No audible response.]

Mr. Allen: I guess I would ask, is there any objection to finalizing this? If there are no comments forthcoming—

Chair Lachance: I think Mark has phrased this in a way that allows somebody to object and hold it, but I think it's one item of business that the committee should tend to. And since we haven't heard from anybody in a couple of months now, hopefully, if anyone has an objection, speak now.

Mr. Lynch: DoD doesn't have any objections.

Chair Lachance: Great, thank you. So we're good with adopting it? I think we should go ahead. I'm seeing thumbs up. Without objection.

IV. New Business

- a. Email from the American Federation of Government Employees, Dated February 13, 2023, Requesting FPRAC Review a Proposal to Redefine the Canyonlands National Park to the Southeastern Arizona FWS Wage Area, 645-AFGE-1
- b. Redefinition of Canyonlands National Park and review of Beaver, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, San Juan, Sevier, Wayne, and Washington Counties, Utah, 645-MGT-1
- c. North American Industry Classification System Based Federal Wage System Wage Surveys (2022 Update), 645-MGT-2
- d. Request to Release FPRAC Working Group Wage Area Reviews to the Government Accountability Office, 645-OPM-1
 - Government Accountability Office Notification Letter to the Office of Personnel Management Director, 645-OPM-2

Chair Lachance: At this point, we can turn to the New Business item that the committee has under consideration. If you will refer to FPRAC document 645-AFGE-1, we have an email from the American Federation of Government Employees dated February 13th, 2023, that requests an FPRAC review of a proposal to redefine the Canyonlands National Park to the Southeastern Arizona FWS wage area. Rich, do you want to speak to this or Jacque, either one of you?

Mr. Loeb: I think I can take this one. This is much like the situation we faced with Shenandoah National Park, which thank you for finalizing the rule, and I think it goes into effect on July 1st. We have an area that has changed over the last 13 years and has gone from primarily a semi-industrial mining town of the Moab, Utah—for those of

you who are familiar with it, was a uranium mining area, and there is not a lot of uranium mining going on anymore for reasons related to demand for the natural resources.

The area has now become largely a tourist area, taking advantage of the natural geography of the area, and it's now a much higher wage area. The particularly interesting thing, if you look at the charts of the area which I'm having a hard time bringing up right now—for some reason, I keep getting kicked out, which is not good.

You've got two states basically that encompass these southeast Utah groups. One, of course, is Utah, and the other one is Arizona. And the Canyonlands National Park, if you actually look at a map of Canyonlands National Park, virtually the entire park is in Arizona, yet for some reason, that park is excluded from the wage area that would otherwise be applicable to the areas outside the park.

You also have the situation, again similar to Shenandoah, where you have the various other national parks that are very close—Arches National Park—I hope I'm getting that—and of course, natural bridges which are the various workers go back and forth between the area. But the basic issue is that the area has changed dramatically, and that the main park, Canyonlands, is in fact in a higher wage area except for Canyonlands. Canyonlands is excluded from the higher Arizona wage rate that would otherwise be applicable to anything right outside the borders of Canyonlands National Park. So that's one of those strange ones that we had, very similar in many ways to the Shenandoah situation, which involved three different jurisdictions, I believe, and all basically doing the same work. And they're in the same basic group at the National Park Service, the Southeastern—well, they call it the "Southeastern Utah District," but as you

can see, a large portion of it is, in fact, in Arizona. In fact, the major part of Canyonlands is in Arizona.

So I guess what we're asking for is that the area should either be switched to the Arizona wage rate or possibly even the Denver pay scale, given the changes in the use of the land and how it has become a tourist area.

Chair Lachance: Thank you, Rich. Are there any other comments on the state of play in Canyonlands or about the situation? Otherwise, we can move to the Management proposal. If you will look at our documentation, it's document 645-MGT-1, and it is a proposal to redefine the Canyonlands National Park and a review of several counties in Southern Utah. I thought we could turn to Mark to introduce it and then maybe have a discussion that would include both Rich's great description of the situation and the potential solution introduced here.

Mr. Allen: Before I dive in, I was just wondering if we actually have anybody from the Department of the Interior or any local people on the call this morning. There were a couple of people, I think, who were possibly planning on joining us, but they didn't chime in at the start of the meeting when we were doing introductions.

Mr. Loeb: Mark, obviously, I had no idea if there's anybody from Interior. I did get some statistics, though, in case you're interested, that the—I think it's San Juan County is what we're really asking for. The total number of people is approximately 80 permanent employees and 40 seasonal employees.

Mr. Allen: Okay. So I'll cut to the chase before I get into the details, but basically, it seems to be the Management members' position that it's a sensible recommendation to do what AFGE is basically asking for, which is to make sure that the national parks

and national monuments and national recreation areas in Southern Utah are covered by the same wage schedule, which would be the Northeastern Arizona for the wage schedule. So—

Mr. Loeb: I have little to say other than thank you. The map is so difficult. I had to go to a U.S. geological survey map to figure it out because you're really in the middle of nowhere.

Mr. Allen: Yeah, that's part of the problem.

Mr. Loeb: What was part of the problem is the maps were not—that we had available to us from the wage system just didn't really show the geography effectively because they're not designed for the geography, but as you can—this is a good—I'm glad you—I think you got this map from the geological survey. Yes. There, you can see it.

Mr. Allen: The map shows how many Department of Interior places are in Southern Utah, and the problem that the current wage area definition poses, we can go to the next map, Ana. I think it's the next one.

Yes. So that thick black line there, it subdivides Southern Utah between a Utah wage area and a Northeastern Arizona wage area. That cuts right through several parks, and from a basic Management perspective, it doesn't make sense to continue doing that. It makes a whole lot more sense to have people who are working in those parks to be treated the same.

What we're actually doing here is making recommendations that go beyond just Canyonlands. We're making recommendations to move the parks in Southern Utah into the Northeastern Arizona wage schedule.

Mr. Loeb: Obviously, thank—Mark, I didn't even need to interrupt, but as you point out, Canyonlands is the biggest one, as you can see, if you can see it. But there's all these others, natural bridges. There's a little one off to the side. I can't even remember the name of it. But there's so many smaller ones. It's just that obviously Canyonlands is sort of the big piece of geography there in sort of the upper—but I'm sorry. Go ahead.

Mr. Allen: What we wanted to do there, Rich, is take a look at all of the Interior locations there to be sure that if we did something just for Canyonlands that we weren't leaving anybody else out.

Mr. Loeb: And there are so many of them, as you can see.

Mr. Allen: Yes.

Mr. Loeb: I mean, it's just a huge number, and some of them are—I assume there are sparsely—a sparse number of employees, but there sure are. Even though some of them look pretty small, they're huge areas, thousands and thousands of acres.

Mr. Allen: Right. If we can go back to the beginning of this document, we have the Management recommendation. Some of these are recommendations to continue defining certain counties to the Utah area of application based on the Federal Wage System's criteria and primarily distance. For example, Beaver County, Emery County would remain in the Utah area of application. These are not counties that are affected by the national parks and other locations in Southern Utah.

We're recommending redefining Bryce Canyon, Capitol Reef, Canyonlands National Park's portions of Garfield County to the Northeastern Arizona area of application; redefine Arches and Canyonlands National Parks, portions of Grant County

to the Northeastern Arizona area application; redefine Cedar Breaks National Monument and Zion National Park portions of Iron County to the Northeastern Arizona area of application; redefine Canyonlands National Park portion of San Juan County to the Northeastern Arizona area of application; redefine Capitol Reef and Canyonlands National Parks' portions of Wayne County to the Northeastern Arizona area of application; and finally, redefine Washington County in its entirety to the Northeastern Arizona area of application.

In the Federal Wage System criteria distance is the first criterion, then commuting, and then things like geographic features and kinds and sizes of private industrial establishments. In this case, because the area is so remote from Salt Lake City or Flagstaff, which is the heart of the survey areas under the Federal Wage System, the recommendation here is primarily based on distance and the organizational affiliation of the Department of Interior installations in Southern Utah. If we take a look at distance, some of these national parks are 250, 300 miles away from Salt Lake City. So I think what we've come up with is a reasonable, sensible solution that would help resolve some of the recruitment and retention issues in Southern Utah for the Federal Wage System employment in that part of the state.

I don't know if everybody has had a chance to look through the document, but I think it's pretty clear what we're trying to do here with maps. If we have consensus on this, I would certainly like to be able to move forward with it today with a recommendation from the committee.

Mr. Loeb: Mark, I would like to share this with our people who are in the Canyonlands area. I mean, I think you've addressed virtually everything I've heard, the big issue being that Moab was what it once was and now it's a tourist area—

Mr. Allen: Right.

Mr. Loeb: —mostly for skiing and similar outdoor activity.

Mr. Allen: Yes. We can defer until the next public meeting.

Mr. Loeb: Well, let me ask Jacque how she—are you there, Jacque?

Ms. Simon: Yes, I'm still here. Yeah. What are you asking me? If we're ready to vote?

Mr. Loeb: Or whether we want to share this with our people in the Southeastern Utah group before we take a vote.

Chair Lachance: Yes, before there's a vote, which would postpone it for a month.

Ms. Simon: That's fine with me.

Mr. Loeb: Okay. You still have to go through the rulemaking process, which will take the usual period of time.

Mr. Allen: Right.

Chair Lachance: Right.

Mr. Allen: Yes, I can see the benefit for double checking, just make sure we're not missing anything from the local perspective. That's why I was asking if we had anybody—

Mr. Loeb: I mean, it was such—this made Shenandoah look like a piece of cake. It really did. When you look at this, you just get an idea of how enormous the western United States is.

Chair Lachance: Yes. And none of these—not none, but a number of these aren't contiguous either.

Mr. Loeb: Right. That did not help.

Chair Lachance: I'm glad somebody else figured it out, but—

Mr. Loeb: I don't know that he figured it out. I just kept staring at these maps.

Chair Lachance: As you can see from the documentation that the staff prepared, there was a lot of detailed analysis about the individual counties and where they belong and what the actual survey and areas of application should be. So thank you to them for sorting this out. Is the full committee comfortable with deferring a final action on this until next month?

Chair Lachance: Is everyone okay with putting this proposal through a bit of review and then voting next month or then coming to consensus next month, hopefully?

Mr. Lynch: That works for the Department of Defense.

Chair Lachance: That's great, Chris. And I'm seeing some thumbs up. Thank you, Paul.

All right. Let's go ahead then to the next item on the agenda, which is more New Business, and that is document 645-MGT-2, and that's the 2022 update to the North American Industry Classification System-based Federal Wage System wage surveys. Apparently, OPM is currently—the regs say we are still using the 2017 NAICS codes, and OMB has been able to publish revisions in 2022. I'm going to turn it over to Mark so he can walk us through this document and what Management is proposing for committee action.

Mr. Allen: This document on the surface looks extremely detailed, but the basic thing we're doing is trying to take the 2017 codes that are in regulations and maintain the same industry coverage for the 2022 codes that OMB publishes as the government-wide standards for agencies to follow for statistical purposes.

For those who don't know, the North American Industry Classification System is a standard way for the governments of the United States, Canada, and Mexico to document industry, how it's changing over time. It's basically a way for the three countries to communicate with each other on the same standards. It gets updated every few years to maintain currency, meaning that if there are changes in how industry is working, then the codes get updated. One of the major groups that did change is the communications work. That's one of the areas that we are proposing to revise in the existing Federal Wage System regulations to keep up with the new standards.

The new standards will help DoD staff to have the most up-to-date definitions of industry to cover under the surveys that they conduct, but as I said at the beginning of this, we're not really proposing any changes here, the change industry coverage. What we've tried to do is replicate as best we can in the new coding system, what was being done in the previous coding system for a few years back.

I think what I would suggest on this one is that it's probably best if everybody takes some time to digest this and see if you have any questions or any alternatives that you would think would be better. The changes from one publication to the next have a crosswalk. So Ana was able to use the crosswalk between the 2017 and 2022 codes to be able to track what the changes are, make sure we're not missing anything.

We've already discussed this document with Karl's staff to make sure that if we do make these changes, that they're actually in accordance with what their interpretation of industry coverage is. I think from a technical perspective, we're in pretty good shape on these.

If there were going to recommend major changes to industry coverage, that would be something that's already part of the agenda for the working group, if the working group wants to take that up at some point.

I'm not going to walk through all these changes. There are a lot of them on the surface that appear to be a little daunting. They actually aren't. If you take a look at page three, there's simple things being done like the code for pharmacies and drugstores, that would be included in non-appropriated fund surveys. That NAICS code would change from 44611 to 45611. Gasoline stations NAICS 4471 would change to 2022 NAICS code 4571.

Mr. O'Connor: I just have a question trying to understand it. Are we just changing the actual code number, or is there also a change in what is considered to be within the new code number? Does that make sense?

Mr. Allen: Every now and then when the NAICS codes are updated, there are certain segments of an industry that are moved from one group to another because the interpretation there between the three countries is that the practices in the private sector have changed sufficiently to move part of an industry group into another coding scheme. But what we've done here is kept track of that so that we're not missing something that was previously included in wage surveys while not adding new things that could affect—or theoretically affect how wage schedules are determined.

Mr. O'Connor: And this list here is only the list of changes?

Mr. Allen: Yes. All these changes would go into the regulations and the operating manual. So they're not going to be immediate changes. It's going to take a few months to work through the regulatory process on these. In the meantime, DoD will just be continuing to use the 2017 codes for whatever analysis they're doing when they create the establishment lists that they would visit during both appropriated and non-appropriated fund wage surveys.

I would recommend taking a look in detail at some of these things and see if anybody's uncomfortable with anything that we're recommending, knowing that the overall objective here is not to change anything really in terms of survey coverage. It's just the codes that are changing.

Chair Lachance: Mark, are you suggesting then that we give people until the next meeting to look at it and then maybe have a formal consensus to move forward with these?

Mr. Allen: Yes.

Chair Lachance: Okay. Is everyone okay with that, that we give you all an opportunity to just look at this? We don't often give you homework, but there's a couple things and I think they're important enough and detailed and technical enough that it makes sense to give all of you time to consider it. We can keep it on the agenda for our next meeting, and hopefully, everyone will have a minute to look at it, and we can move it through then. Are there any objections to that approach?

[No audible response.]

Chair Lachance: Hearing none. Let's move on to the next item of New Business, and I believe it's marked 645-OPM-2, but it might be 1. So we're going to check that for the record. We have a request to release to our colleagues at the Government Accountability Office, some of whom are on this call, the wage area reviews that have been developed for discussion at our non-public working group sessions.

The letter that GAO sent to open the engagement is in the packet of materials that was sent to you. They are conducting an audit on the Federal Wage System based on a congressional mandate. As a result, they're interested in how the FWS is administered, and they are requesting several documents, among which are the wage area reviews discussed by the working group. But, in order to make those public, we need the committee's approval at this time—actually not public, but to transmit them to GAO. And it's part of the FY23 NDAA joint explanatory statement. GAO is planning to brief Congress in early June, so this is a very timely request.

Mark, is there anything you want to add?

Mr. Allen: Yes. The only reason this is put on the agenda for discussion is that the reviews of the wage areas in the working group are not public because the working group meetings are not public. We are just wondering if there's any objection to FPRAC sharing these reviews with GAO. That's about all I had to mention on that.

Chair Lachance: Are there any comments, thoughts, questions?

Ms. Laughlin: I'm looking at the 645-OPM-2. I don't seem to have the 645-OPM-1, if that's another document, but the purpose or to answer Mark's question, are we just describing what we are doing? We're not giving them any specific resolutions at this point. We're just sharing what our discussions are about. Is that correct?

Chair Lachance: Yes. We are going to check on the document number. You are looking at the right document, OPM-2. But there may not be a 1 anywhere in this meeting, but we'll check on that and make sure. But no, there are no recommendations included in this documentation. It is just the analysis that you all have been looking at in your meetings.

Ms. Laughlin: Okay. Thank you so much.

Mr. Allen: Yeah. The documents we're talking about are really just the discussion drafts that don't have any recommendations in them, but they are things that the working group could eventually make recommendations on—or most likely is going to make recommendations on to the full committee.

Ms. Laughlin: Tracking. Thank you so much.

Mr. Allen: You're welcome.

Chair Lachance: Any other questions or thoughts from the group? If not, can we proceed without objection to provide those materials to GAO?

[No audible response.]

Chair Lachance: I'm not hearing any objection, so let's go ahead and do that.

And there really are no other items under New Business, so we could end a little bit earlier than usual. Is there a motion to adjourn?

Mr. Loeb: I'll offer a motion to adjourn unless anybody has anything else they'd like to add.

Ms. Sato: Hi. This is Susan Sato from GAO. Can you hear me?

Chair Lachance: Yes, we can.

Ms. Sato: Oh, great. So thank you so much for allowing us to join your public meeting. One thing I did want to note is the FPRAC members, both Management and the Union, you'll be hearing from us shortly because we will be requesting a meeting with you to discuss your role on the FPRAC as far as if you're involved with the working group. So I just wanted to give you a heads-up so you weren't alarmed when you saw something from us. Thank you.

Mr. Allen: Thanks, Susan. Yeah. I was thinking of saying that, but I was hoping you would chime in. That's to say you're going to be hunting them down.

Chair Lachance: They all look thrilled.

[Laughter.]

Chair Lachance: Is there any objection to adjourning? If not, let's close out this meeting.

LCDR Pullium: I have one thing, ma'am. This is Lieutenant Commander Pullium—

Chair Lachance: Of course.

LCDR Pullium: —Public Works Officer, Naval Support Activity, Monterey.

Members of the committee might recall that I presented at the February meeting regarding the wage area challenges seen by my workforce, and I was just chiming in on this meeting just to see if there is any news or updates on that front. Over. Thank you.

Chair Lachance: It was discussed at the working group meeting, right?

Mr. Allen: Right. The working group is ongoing. There have been no recommendations so far from the working group regarding the San Francisco and Monterey wage areas. Those are still on the agenda to be discussed, along with other

wage areas that would be affected by potentially using GS locality pay area definitions or CSA definitions to define Federal Wage System wage areas.

What I would say, though, is if there are any recruitment or retention issues at any of these places that we're considering, they should be considered for being addressed with pay flexibilities, such as special rates, recruitment or retention incentives. I would say don't wait. If you have an immediate problem, try to resolve it with pay flexibilities.

LCDR Pullium: Okay. Thank you.

Mr. Tisdale: Yes. This is Jeremy Tisdale calling from Butner. The reviews that will be addressed with Congress in early June for the wage area, is Butner included into that, or is Butner still a work in progress?

Mr. Allen: I think our intent here is actually to have a review of the locality pay areas in Virginia, and North Carolina come up at the—a few—probably the next working group meeting, but it's not currently scheduled. But we'll—once those are ready, we'll schedule a working group meeting. So that would include Butner.

Mr. Tisdale: All right. Thank you.

Chair Lachance: Anyone else have any comments or questions?

[No audible response.]

Chair Lachance: If not, we can adjourn and see each other again next month and pick up some of the things that we discussed at this meeting and perhaps a few other issues that may arise. Thank you all very much.

[End of recorded session.]