

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

December 22, 2021 CPM 2021-26

Memorandum for Heads of Executive Departments and Agencies

From: Kiran A. Ahuja

Director

Subject: 2021 Annual Review of Special Rates (Results)

The U.S. Office of Personnel Management (OPM) conducts an annual review of special rates established under 5 U.S.C. 5305 to determine the disposition of special rate schedules when General Schedule (GS) pay is adjusted under 5 U.S.C. 5303. Based on OPM's annual review, special rate tables may be terminated, decreased, or increased. (See OPM's October 5, 2021, <u>data call</u> <u>memorandum (CPM 2021-20)</u> for further information.)

Agencies were informed in the October 2021 data call memorandum that the default January 2022 adjustment for special rates would be equal to the January 2022 across-the-board adjustment for GS base rates. That memorandum also noted that the across-the-board adjustment for GS base rates would be 2.2 percent, as specified in the President's alternative plan for January 2022 pay adjustments.

Further, pursuant to OPM's instructions, each agency conducted a review of its special rate schedules. No agency requested a January 2022 adjustment for special rates different from the default amount. Accordingly, based on the 2021 annual review of special rates, I have determined that the January 2022 adjustment for existing special rates will be 2.2 percent. The effective date for January 2022 pay adjustments is the first day of the first applicable pay period beginning on or after January 1, 2022 (January 2, 2022, based on the standard biweekly payroll cycle).

Please note that agencies having existing or likely staffing problems can submit special rate requests any time throughout a calendar year. Information on how agencies can make special rate requests is posted on the OPM website at https://apps.opm.gov/SpecialRates/srsrequest.aspx. Additional information regarding the 2021 annual review and January 2022 special rates is provided below.

Special Rates in Nonforeign Areas

For the 2021 Annual Review, we reminded agencies of the results of our analysis of special rates in nonforeign areas during the 2012 annual review, and that special rates in nonforeign areas would be reexamined yearly as part of our overall annual review of special rates. During the 2021 Annual Review, no agencies requested termination of special rates or a pay adjustment different from the base GS increase for positions in nonforeign areas. Accordingly, special rates in nonforeign areas will receive the 2.2-percent increase. Also, special rate tables currently receiving Nonforeign Area Retirement Equity Assurance Act of 2009 (NAREAA) additional adjustments will receive the NAREAA additional adjustments shown in Attachment 1.

Capped Special Rates

Under 5 U.S.C. 5305(a)(1), the maximum special rate is the rate payable for level IV of the Executive Schedule (EX-IV), which is \$176,300 in 2022. Some special rates for 2022 are capped at that EX-IV rate. Attachment 2 lists capped special rates by table, grade, and step.

Terminated Special Rates

Special rates are terminated based on OPM's annual review of special rates when covered agencies report to OPM that applicable special rates are no longer necessary or when GS locality rates of pay exceed special rates at the same grade and step due to increases in locality pay. (Under 5 U.S.C. 5305(h), an employee's entitlement to a special rate ends if the employee is entitled to a higher rate of basic pay, such as a locality rate of pay under 5 U.S.C. 5304.)

No agencies reported to OPM in response to the annual review that any special rate tables would no longer be necessary in 2022. However, some special rates will terminate effective January 2, 2022 due to higher applicable locality rates of pay.

Five special rate tables will terminate effective January 2, 2022, because higher locality rates apply at all steps of each covered grade due to January 2022 increases in locality pay percentages. Those five special rate tables are Tables 0139, 0140, 0256, 0346, and 0377.

In addition, some special rate tables that will not entirely terminate will have one or more pay rates that terminate because applicable 2022 locality rates of pay are higher due to January 2022 increases in locality pay percentages. In such cases, the special rate tables will not show a special rate at affected grades and steps because higher locality pay rates apply. Also, for some special rate tables that cover multiple locations, certain locations will be removed from coverage because the 2022 locality rates in those locations are higher than the special rates at all grades and steps. Termination of special rates in these situations will not result in a loss of pay for covered employees because they will receive a higher locality rate of pay.

Additional Information

Agency headquarters-level human resources offices may contact OPM at <u>pay-leave-policy@opm.gov</u>. Employees should contact their agency human resources office for further information on this memorandum.

Attachment 1 - 2022 Additional Adjustments for Special Rate Tables in Nonforeign Areas

Attachment 2 - Capped Special Rates in 2022

cc: Chief Human Capital Officers (CHCOs)

Deputy CHCOs Human Resources Directors

Attachment 1—2022 Additional Adjustments for Special Rate Tables in Nonforeign Areas

Under section 1915(b) of the Nonforeign Area Retirement Equity Assurance Act of 2009 (NAREAA), during the January 2010-January 2012 transition period, special "additional adjustments" were added to the special rates that would have otherwise been payable in nonforeign areas. These additional adjustments were designed to provide special rate increases equal to the locality pay increases received by non-special rate employees during the transition period. They are added to the special rate supplement that would have otherwise applied. Special rate supplements and additional adjustments are payable only to the extent they do not cause the employee's special rate to exceed the statutory EX-IV cap on special rates (\$176,300 in 2022). The EX-IV cap will be reflected in published special rate schedules. For additional information on NAREAA additional adjustments, see Attachment 2 of CPM 2009-27 and Attachment 1 of CPM 2011-22.

2022 Additional Adjustments for Special Rate Tables in the State of Alaska (Annual Amounts in Dollars)										
Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
1	6,136	6,342	6,546	6,749	6,953	7,072	7,274	7,478	7,486	7,676
2	6,900	7,064	7,293	7,486	7,570	7,793	8,016	8,238	8,461	8,684
3	7,529	7,780	8,031	8,282	8,533	8,783	9,034	9,285	9,536	9,787
4	8,451	8,733	9,015	9,296	9,578	9,860	10,141	10,423	10,705	10,986
5	9,455	9,771	10,086	10,401	10,716	11,031	11,346	11,662	11,977	12,292
6	10,540	10,892	11,243	11,594	11,946	12,297	12,648	13,000	13,351	13,702
7	11,713	12,103	12,493	12,883	13,274	13,664	14,054	14,445	14,835	15,225
8	12,971	13,404	13,836	14,268	14,700	15,133	15,565	15,997	16,430	16,862
9	14,327	14,805	15,282	15,760	16,237	16,715	17,192	17,670	18,148	18,625
10	15,777	16,303	16,829	17,355	17,881	18,407	18,933	19,459	19,985	20,511
11	17,334	17,912	18,490	19,067	19,645	20,223	20,800	21,378	21,956	22,533
12	20,777	21,469	22,162	22,855	23,547	24,240	24,933	25,625	26,318	27,011
13	24,706	25,529	26,353	27,176	28,000	28,823	29,647	30,470	31,294	32,117
14	29,195	30,168	31,141	32,114	33,088	34,061	35,034	36,007	36,980	37,953
15	34,341	35,486	36,631	37,775	38,920	40,065	41,209	42,354	43,499	44,643

2022 Additional Adjustments for Special Rate Tables in the State of Hawaii (Annual Amounts in Dollars)										
Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
1	4,115	4,253	4,390	4,526	4,663	4,743	4,878	5,015	5,020	5,148
2	4,627	4,737	4,890	5,020	5,077	5,226	5,375	5,525	5,674	5,823
3	5,049	5,217	5,385	5,554	5,722	5,890	6,059	6,227	6,395	6,563
4	5,668	5,856	6,045	6,234	6,423	6,612	6,801	6,990	7,179	7,368
5	6,341	6,552	6,764	6,975	7,186	7,398	7,609	7,820	8,032	8,243
6	7,068	7,304	7,540	7,775	8,011	8,246	8,482	8,718	8,953	9,189
7	7,855	8,116	8,378	8,640	8,902	9,163	9,425	9,687	9,948	10,210
8	8,699	8,989	9,279	9,568	9,858	10,148	10,438	10,728	11,018	11,308
9	9,608	9,928	10,248	10,569	10,889	11,209	11,529	11,850	12,170	12,490
10	10,580	10,933	11,286	11,638	11,991	12,344	12,697	13,049	13,402	13,755
11	11,625	12,012	12,399	12,787	13,174	13,562	13,949	14,336	14,724	15,111
12	13,933	14,398	14,862	15,327	15,791	16,256	16,720	17,185	17,649	18,114
13	16,568	17,120	17,673	18,225	18,777	19,329	19,881	20,434	20,986	21,538
14	19,578	20,231	20,884	21,536	22,189	22,841	23,494	24,147	24,799	25,452
15	23,030	23,797	24,565	25,333	26,100	26,868	27,635	28,403	29,171	29,938

Attachment 1—2022 Additional Adjustments for Special Rate Tables in Nonforeign Areas

2022 Additional Adjustments for Special Rate Tables in Other Nonforeign Areas as Defined in 5 CFR Part 591 (Annual Amounts in Dollars)										
Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
1	3,268	3,378	3,486	3,594	3,703	3,766	3,874	3,982	3,986	4,088
2	3,674	3,762	3,884	3,986	4,032	4,150	4,269	4,387	4,506	4,624
3	4,009	4,143	4,277	4,410	4,544	4,678	4,811	4,945	5,079	5,212
4	4,501	4,651	4,801	4,951	5,101	5,251	5,401	5,551	5,701	5,851
5	5,035	5,203	5,371	5,539	5,707	5,875	6,042	6,210	6,378	6,546
6	5,613	5,800	5,987	6,174	6,362	6,549	6,736	6,923	7,110	7,297
7	6,237	6,445	6,653	6,861	7,069	7,277	7,485	7,692	7,900	8,108
8	6,908	7,138	7,368	7,598	7,829	8,059	8,289	8,519	8,749	8,980
9	7,630	7,884	8,138	8,393	8,647	8,901	9,156	9,410	9,664	9,919
10	8,402	8,682	8,962	9,242	9,522	9,802	10,083	10,363	10,643	10,923
11	9,231	9,539	9,847	10,154	10,462	10,769	11,077	11,385	11,692	12,000
12	11,064	11,433	11,802	12,171	12,540	12,909	13,278	13,647	14,015	14,384
13	13,157	13,596	14,034	14,473	14,911	15,350	15,788	16,227	16,665	17,104
14	15,548	16,066	16,584	17,102	17,621	18,139	18,657	19,175	19,694	20,212
15	18,288	18,898	19,507	20,117	20,727	21,336	21,946	22,555	23,165	23,775

Attachment 2—Capped Special Rates in 2022

Under 5 U.S.C. 5305(a)(l), the maximum special rate is the rate payable for level IV of the Executive Schedule (\$176,300 in 2022).

A total of 384 special rates are capped in 2022 and these are shown in the table below by special rate table code, grade, and step.

Special Rate Table Code	Grade	Capped Steps
0565	15	8-10
0566	15	9-10
0571	15	6-10
0576	15	7-10
0701	15	8-10
0702	15	5-10
0703	15	5-10
0704	15	5-10
0705	15	6-10
0706	15	5-10
0710	15	6-10
0711	15	6-10
0712	15	6-10
0713	15	6-10
0714	15	6-10
0715	15	6-10
0716	15	6-10
0717	15	6-10
0718	15	6-10
0719	15	6-10
0720	15	6-10
0721	15	6-10
0722	15	6-10
0734	15	8-10
0735	15	8-10
0736	15	8-10
0737	15	8-10
0738	15	7-10
0739	15	7-10
0740	15	7-10
0741	15	6-10
0742	15	6-10
0743	15	6-10
0744	15	6-10
0745	15	5-10
0746	15	5-10
0747	15	5-10
0748	14	10
0748	15	4-10
0749	14	10
0749	15	4-10
0750	14	8-10

Attachment 2—Capped Special Rates in 2022

Special Rate Table Code	Grade	Capped Steps
0750	15	2-10
0752	15	5-10
0759	13	10
0759	14	6-10
0759	15	3-10
0760	14	8-10
0760	15	4-10
0761	14	8-10
0761	15	5-10
0762	14	9-10
0762	15	6-10
0763	14	10
0763	15	6-10
0764	14	10
0764	15	7-10
0765	15	8-10
0766	15	8-10
0767	15	9-10
0771	14	9-10
0777	14	8-10
0777	15	2-10
0778	14	8-10
0785	14	9-10
290A	14	8-10
290A	15	4-10
290H	15	7-10
290P	15	8-10
499A	15	6-10
499H	15	9-10
499P	15	10
558A	14	8-10
558A	15	5-10
558H	15	7-10
558P	15	9-10
565A	14	6-10
565A	15	1-10
565F	15	8-10
565H	14	8-10
565H	15	3-10
566A	14	7-10
566A	15	2-10
566F	15	9-10
566H	14	9-10
566H	15	4-10
700H	15	5-10