

The Director

# UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

December 23, 2022 CPM-2022-23

# **Memorandum for Heads of Executive Departments and Agencies**

From: Kiran A. Ahuja

Director

Subject: 2022 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 19, 2022, data call memorandum (CPM 2022-18) for further information.)

Agencies were informed in the October 2022 data call memorandum that the default January 2023 adjustment for special rates would be equal to the January 2023 across-the-board adjustment for GS base rates. That memorandum also noted that the across-the-board adjustment for GS base rates would be 4.1 percent, as specified in the <a href="President's alternative plan for January 2023 pay">President's alternative plan for January 2023 pay</a> adjustments.

Further, pursuant to OPM's instructions, each agency conducted a review of its special rate schedules. No agency requested a January 2023 adjustment for special rates different from the default amount. Accordingly, based on the 2022 annual review of special rates, I have determined that the January 2023 adjustment for existing special rates will be 4.1 percent. The effective date for January 2023 pay adjustments is the first day of the first applicable pay period beginning on or after January 1, 2023 (January 1, 2023, 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 <a href="https://www.opm.gov/special-rates/srsrequest.aspx">https://www.opm.gov/special-rates/srsrequest.aspx</a>. Additional information regarding the 2022 annual review and January 2023 special rates is provided below.

#### **Special Rates in Nonforeign Areas**

For the 2022 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 2022 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 4.1-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 \$183,500 in 2023. Some special rates for 2023 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 2023. However, while no special rate tables will terminate entirely in January 2023 due to increases in locality pay, some special rates tables will have one or more pay rates that terminate effective January 1, 2023, because applicable 2023 locality rates of pay are higher due to January 2023 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 2023 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 - 2023 Additional Adjustments for Special Rate Tables in Nonforeign Areas

Attachment 2 - Capped Special Rates in 2023

cc: Chief Human Capital Officers (CHCOs)
Deputy CHCOs
Human Resources Directors

## Attachment 1—2023 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 (\$183,500 in 2023). The EX-IV cap will be reflected in published special rate schedules.

2023 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	6,577	6,798	7,016	7,234	7,452	7,580	7,796	8,014	8,023	8,229
2	7,395	7,571	7,816	8,023	8,114	8,352	8,591	8,830	9,068	9,307
3	8,069	8,338	8,607	8,876	9,145	9,414	9,684	9,953	10,222	10,491
4	9,058	9,360	9,662	9,964	10,266	10,568	10,870	11,172	11,473	11,775
5	10,134	10,472	10,810	11,148	11,486	11,824	12,162	12,500	12,838	13,176
6	11,297	11,674	12,050	12,427	12,803	13,179	13,556	13,932	14,309	14,685
7	12,554	12,972	13,391	13,809	14,227	14,646	15,064	15,483	15,901	16,320
8	13,903	14,366	14,830	15,293	15,757	16,220	16,684	17,147	17,611	18,074
9	15,356	15,867	16,379	16,891	17,403	17,914	18,426	18,938	19,450	19,961
10	16,910	17,473	18,037	18,601	19,165	19,728	20,292	20,856	21,420	21,984
11	18,579	19,198	19,817	20,436	21,055	21,675	22,294	22,913	23,532	24,151
12	22,268	23,010	23,753	24,495	25,237	25,980	26,722	27,464	28,206	28,949
13	26,480	27,362	28,245	29,128	30,010	30,893	31,775	32,658	33,541	34,423
14	31,291	32,334	33,377	34,420	35,463	36,506	37,549	38,592	39,635	40,678
15	36,807	38,033	39,260	40,487	41,714	42,941	44,167	45,394	46,621	47,848

2023 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	4,445	4,595	4,742	4,890	5,037	5,124	5,270	5,417	5,423	5,562
2	4,999	5,118	5,283	5,423	5,484	5,646	5,807	5,968	6,130	6,291
3	5,454	5,636	5,818	6,000	6,182	6,363	6,545	6,727	6,909	7,091
4	6,123	6,327	6,531	6,735	6,939	7,143	7,347	7,551	7,755	7,959
5	6,850	7,078	7,307	7,535	7,764	7,992	8,221	8,449	8,677	8,906
6	7,636	7,890	8,145	8,399	8,654	8,908	9,163	9,417	9,672	9,926
7	8,485	8,768	9,051	9,334	9,617	9,900	10,182	10,465	10,748	11,031
8	9,397	9,710	10,024	10,337	10,650	10,964	11,277	11,590	11,904	12,217
9	10,379	10,725	11,071	11,417	11,763	12,109	12,455	12,801	13,147	13,492
10	11,430	11,811	12,192	12,573	12,954	13,335	13,716	14,097	14,478	14,859
11	12,558	12,976	13,395	13,813	14,232	14,650	15,069	15,488	15,906	16,325
12	15,052	15,553	16,055	16,557	17,059	17,560	18,062	18,564	19,065	19,567
13	17,898	18,495	19,092	19,688	20,285	20,881	21,478	22,074	22,671	23,268
14	21,151	21,855	22,560	23,265	23,970	24,675	25,380	26,085	26,790	27,495
15	24,879	25,708	26,537	27,366	28,195	29,025	29,854	30,683	31,512	32,342

Attachment 1—2023 Additional Adjustments for Special Rate Tables in Nonforeign Areas

2023 Addit	2023 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	3,465	3,581	3,696	3,811	3,926	3,993	4,107	4,222	4,227	4,335
2	3,896	3,989	4,118	4,227	4,274	4,400	4,526	4,652	4,777	4,903
3	4,251	4,393	4,535	4,676	4,818	4,960	5,101	5,243	5,385	5,527
4	4,772	4,931	5,090	5,249	5,408	5,567	5,726	5,885	6,044	6,204
5	5,339	5,517	5,695	5,873	6,051	6,229	6,407	6,585	6,763	6,941
6	5,952	6,150	6,348	6,547	6,745	6,943	7,142	7,340	7,538	7,737
7	6,614	6,834	7,054	7,275	7,495	7,716	7,936	8,157	8,377	8,597
8	7,324	7,568	7,813	8,057	8,301	8,545	8,789	9,034	9,278	9,522
9	8,090	8,359	8,629	8,898	9,168	9,438	9,707	9,977	10,247	10,516
10	8,908	9,205	9,502	9,799	10,096	10,393	10,690	10,987	11,284	11,581
11	9,788	10,114	10,440	10,766	11,092	11,419	11,745	12,071	12,397	12,723
12	11,731	12,122	12,513	12,904	13,296	13,687	14,078	14,469	14,860	15,251
13	13,950	14,415	14,880	15,345	15,810	16,275	16,740	17,205	17,670	18,135
14	16,485	17,034	17,584	18,133	18,683	19,232	19,782	20,331	20,880	21,430
15	19,390	20,037	20,683	21,329	21,976	22,622	23,268	23,915	24,561	25,207

## Attachment 2—Capped Special Rates in 2023

Under 5 U.S.C. 5305(a)(1), the maximum special rate is the rate payable for level IV of the Executive Schedule (\$183,500 in 2023).

A total of 472 special rates are capped in 2023 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
	15	
0711		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
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 8-10
0761	14	8-10

# Attachment 2—Capped Special Rates in 2023

Special Rate Table Code	Grade	Capped Steps
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
	14	9-10
0771 0777	14	8-10
0777	15 14	2-10
0778		8-10
0785	14	9-10
0788	14	6-10
0788	15	1-10
0789	14	8-10
0789	15	3-10
0790	14	9-10
0790	15	3-10
0791	14	10
0791	15	4-10
0792	15	5-10
0793	15	6-10
0794	15	6-10
0795	15	7-10
0796	15	8-10
0797	14	10
0797	15	4-10
0798	15	7-10
0799	15	5-10
290A	14	8-10
290A	15	4-10
290H	15	7-10
290P	15	8-10
499A	14	10
499A	15	6-10
499Н	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	2-10
566A	14	7-10
566A	15	1-10
566F	15	9-10
566H	14	9-10
566H	15	4-10
700H	15	5-10
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