

Federal Prevailing Rate Advisory Committee 651st FPRAC

Janice R. Lachance, Chair, Presiding

Thursday, March 21, 2024

Virtual Meeting via Microsoft Teams
Office of Personnel Management
Washington, D.C. 20415

Attendance

Members/Alternates:

Management Members:

Mark Allen, OPM
Christopher Lynch, DoD
Kimberly Eidson, Air Force
Catherine Anders, Navy
Ann Vicks, VA

Labor Members:

Paul O'Connor, MTD
Jacqueline Simon, AFGE
Carissa Carmack, NAGE
Patrick Straka, ACT

Staff Specialists and Visitors:

Brenda Roberts, Designated Federal Officer, OPM
Ana Paunoiu, OPM
Samantha Bono, OPM
Sharon Kwon, OPM
Karl Fendt, DoD
Erica Abiera, DoD
Charles Arnold, DoD
Analise Clark
Jerry Dollente, DoD
Christine Wlezien, DoD
Kieu Nguyen, DoD
Sarah Short, DOD
Dawna Powell
Mandy Laughlin, Army

Brandon Anderson, Navy
Sheila Willis, VA
Mechelle Muthuveeran, Department of the Interior
Ralph Reels, VA
Darrell Fox, U.S. Fish and Wildlife Service
Danielle Fujii-Doe, U.S. Fish and Wildlife Service
Spencer Berg, U.S. Fish and Wildlife Service
Daniel Hernandez, U.S. Fish and Wildlife Service
Edward George, Tobyhanna Army Depot
Frank Balyta, University of North Texas

Recording Secretary:

Mike Eicher, OPM

[Transcript prepared from digital audio produced by FPRAC.]

Proceeding

I.	Opening Announcements and Introductions	4
a.	Introductions	4
b.	Announcements.....	4
II.	Review of the Minutes of the 650th Meeting.....	9
III.	Old Business.....	10
a.	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	10
b.	Letter from the American Federation 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	10
c.	DRAFT, FPRAC Annual Summary, 2023, 650-OC-1.....	10
IV.	New Business	11
a.	Alaska Set-Aside Area Differential Schedules, 651-MGT-1	11
b.	Abolishment of the Calhoun, Alabama, Nonappropriated Fund Federal Wage System Wage Area, 651-MGT-2	11

I. Opening Announcements and Introductions

a. Introductions

b. Announcements

- Update on the Federal Prevailing Rate Advisory Committee December 21, 2023 Recommendation to Amend Section 532.211 of Title 5 of the Code of Federal Regulations

Chair Lachance: I want to say hello and good morning to everyone and welcome you all to the 651st meeting of the Federal Prevailing Rate Advisory Committee. It is March 21st, 2024, and the time is now 10 a.m.

We are holding the meeting virtually, and it will be recorded as usual. A verbatim transcript will be provided to all of you for your review at the next meeting. For those of you who haven't met me yet, I am Janice Lachance, and I have the honor of chairing this committee.

Let's start with introductions so we can get an accurate list of attendees on the record. We're going to start with Management. OPM?

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

Chair Lachance: DoD?

Mr. Lynch: Christopher Lynch, DoD.

Chair Lachance: Air Force.

Ms. Eidson: Hi. This is Kimberly Eidson for Air Force.

Chair Lachance: Thanks, Kimberly.

Navy?

Ms. Anders: Hi. Catherine Anders is on the line for Navy as well as Brandon Anderson.

Chair Lachance: Great. Thank you.

VA?

Ms. Vicks: Good morning. This is Ann Vicks. I have Sheila Willis and Ralph Reels on with me today.

Chair Lachance: Great. Thanks for joining.

We'll shift over to our Union partners. Metal Trades?

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

Chair Lachance: AFGE?

Ms. Simon: Jacque Simon. I'm here.

Chair Lachance: Is your second member here?

Ms. Simon: No. No.

Chair Lachance: All right. That's fine.

NAGE?

Ms. Carmack: Carissa Carmack for NAGE.

Chair Lachance: Thanks, Carissa.

ACT?

Mr. Straka: Good morning. Mr. Straka is on.

Chair Lachance: Great. Thank you very much.

And we do have Brenda Roberts here as a Designated Federal Official under the Federal Advisory Committee Act.

If the staff who are on the line could please introduce themselves?

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

Ms. Bono: Good morning. This is Samantha Bono with OPM.

Mr. Eicher: Mike Eicher, OPM.

Ms. Kwon: This is Sharon Kwon with OPM.

Chair Lachance: Oh, thanks, Sharon.

We do have a few people who registered to listen in. Could you introduce yourselves?

Mr. Fendt: This is Karl Fendt DoD Wage, and we have various members of the Wage staff that's on that we shared with Ana earlier.

Chair Lachance: That's great. Thanks so much, Karl.

Ms. Fujii-Doe: Danielle Fujii-Doe and Darrell Fox with U.S. Fish and Wildlife Service.

Chair Lachance: Great. Thank you.

Ms. Muthuveeran: Good morning, Mechelle Muthuveeran, Department of the Interior.

Chair Lachance: Okay.

Mr. George: My name is Ned George. I'm the president of AFGE 1647 at Tobyhanna Army Depot. Edward George.

Chair Lachance: Nice to have you.

Mr. George: Thank you, ma'am.

Chair Lachance: Anyone else?

Mr. Balyta: Good morning. This is Frankie. I'm a UNT student.

Chair Lachance: Oh, great.

Mr. Berg: Good morning. Spencer Berg with the U.S. Fish and Wildlife.

Chair Lachance: Great. Thank you.

I'm sorry. We seem to have two people speaking at once there. We got Spencer, but is there someone else?

Ms. Laughlin: That's okay, Ms. Lachance. This is Mandy Laughlin with Army. I just didn't know if you had called Army or not. I was a little feeling under the weather this morning, so I apologize.

Chair Lachance: Okay. Well, glad to hear from you. I'm sorry you're not well.

Ms. Laughlin: Thank you.

Chair Lachance: Anybody else?

Mr. Hernandez: Daniel Hernandez, U.S. Fish and Wildlife Service.

Chair Lachance: Great. Thank you.

All right. It sounds like we have everyone covered. If anyone else comes on, hopefully, they'll speak up and identify themselves so that we know everyone who's here.

Under the announcements part of our agenda, we do have an update about the recommendation that we voted on in December to have OPM change the regulatory criteria for defining and maintaining FWS wage areas. I'll turn it over to Mark to tell us where OPM is on that and where we can expect to see next steps.

Mr. Allen: At our last meeting last month, I told everybody that we had an initial draft that was put together by the OPM staff. That's Ana and Samantha.

Over the last number of weeks, since first taking a look at the initial draft, we've been making some refinements to it. It should be ready to go into our internal clearance

processes on the way to the Director in the next couple weeks. I think it's in pretty good shape. It is definitely moving in the right direction.

This is a proposed regulation. We don't have a definite time frame for which the proposed regulation would appear in the *Federal Register*, but it typically takes a few months for a proposed regulation to go through our internal policy and legal reviews internally before it would be going over to the Office of Information and Regulatory Affairs at OMB for their review.

I'm pleased it's moving in the right direction. It's around—currently, it's around 202 pages. So it's extremely detailed work. I wouldn't say it's necessarily really difficult work. It's just painstakingly detailed to go through all the changes in the wage areas that would be necessary for using the revised regulatory criteria.

Chair Lachance: Are there any questions for Mark? Jacque.

Ms. Simon: I have a question. So you said the internal clearances are several weeks, will take several weeks from now?

Mr. Allen: I don't know if it would be several weeks. I don't necessarily have a time frame.

Ms. Simon: Do you think it'll go to OIRA in the month of April?

Mr. Allen: I can't commit other offices at OPM to clearing things that quickly. April is not that far away, but it is moving in the right direction.

Ms. Simon: So it could be May when it goes to OIRA?

Mr. Allen: It could be, but I can't commit to when it would actually go over there.

Ms. Simon: Could it be June? Could it be June?

Mr. Allen: I can't say, Jacque.

It is moving in the right direction. As regulations do, they tend to take a while to go through internal reviews and editing processes before the Director is able to send something out.

Chair Lachance: Anyone else?

[No audible response.]

II. Review of the Minutes of the 650th Meeting

Chair Lachance: Okay. We can move now to review the transcript of the last public meeting, and that was held on February 15th. And are there any changes that anyone has that you want to bring to our attention at this point?

[No audible response.]

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

[No audible response.]

Chair Lachance: Hearing no objections, we will consider it adopted. Thank you.

Under Old Business, we introduced at the last meeting, if you recall, the calendar year 2023 Annual Summary, which is now part of this agenda item since some members of the committee expressed a desire to take a closer look at it and perhaps make some edits. Does anyone have any edits, or is there a motion to go ahead and approve it as is? The staff at OPM hasn't received any edits from anybody. Are we okay moving it forward, or do people want more time?

Ms. Simon: It's okay to move it forward from AFGE.

Chair Lachance: Great.

Mr. O'Connor: Metal Trades as well.

Chair Lachance: Okay. Are there any objections from anybody about just going ahead and approving it and getting it on the website and in public?

Mr. Allen: No objections.

Chair Lachance: Okay. No objections. We will adopt it. Thank you all very much.

III. Old Business

- a. 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
- b. Letter from the American Federation 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
- c. DRAFT, FPRAC Annual Summary, 2023, 650-OC-1

Chair Lachance: There are still some other items under Old Business that stay on the agenda. What we're hoping is rather than read through all of the Old Business items, could we instead move to the New Business agenda? And if anybody wants to raise anything on the old one, we could do that afterwards. Is that okay with folks?

IV. New Business

- a. Alaska Set-Aside Area Differential Schedules, 651-MGT-1
- b. Abolishment of the Calhoun, Alabama, Nonappropriated Fund Federal Wage System Wage Area, 651-MGT-2

Chair Lachance: Under New Business, we do have 651-MGT-1, the Alaska Set-Aside Area Differential Schedules.

Mark, can you introduce this agenda item?

Mr. Allen: Sure. The Management members are proposing to add U.S. Fish and Wildlife Service's employees who are stationed in Kodiak, Alaska, which is a remote island south of Anchorage, to the Alaska 12 percent remote area differential set-aside schedule, based on a Department of the Interior request.

It's my understanding from the documents that were sent to us that there are currently four employees who work under the Federal Wage System in Kodiak. In 2018, the Department of Homeland Security received an authorization from OPM to extend a special wage schedule, which provides for a 12 percent differential practice for employees working in remote parts of Alaska. So that was provided to the U.S. Coast Guard in 2018, to employees who work in Kodiak.

The Department of the Interior sent us a pretty good justification for extending the 12 percent differential schedule to the employees who work under the Fish and Wildlife Service in Kodiak. It makes sense to extend the same pay practice to the Department of the Interior employees working in Kodiak as it did to extend the 12 percent differential schedule to the Coast Guard employees a few years ago.

Chair Lachance: Any discussion? Jacque.

Ms. Simon: Yeah. What differential do GS employees in that location get?

Mr. Allen: There's not a differential. There's a residual cost-of-living allowance.

Ms. Simon: Yeah.

Mr. Allen: Foreign area cost-of-living allowance program.

Ms. Simon: Right.

Mr. Allen: Off the top of my head, I don't remember what that percentage is.

Ms. Simon: Well, I think it's 25 percent, and then it's offset by locality pay. It's been offset for a number of years now by locality pay increasing.

Ms. Simon: Okay.

Mr. Allen: There is still a residual COLA payment—

Ms. Simon: Right.

Mr. Allen: —to GS employees.

Ms. Simon: But they don't get any other kind of differential?

Mr. Allen: No.

Ms. Simon: Okay.

Chair Lachance: Are there any other questions or comments?

[No audible response.]

Chair Lachance: Are we ready to vote or move ahead on consensus on this?

[No audible response.]

Chair Lachance: Hearing no objection, can we approve this by consensus?

[No audible response.]

Chair Lachance: Let's go ahead with that. Easy. Don't have to tally votes. That's good.

We also have a second item under New Business, and that's FPRAC document 651-MGT-2, which is the abolishment of the Calhoun, Alabama, Nonappropriated Fund Federal Wage System wage area.

Mark, can you present this item?

Mr. Allen: When we're saying Calhoun, Alabama, that's really synonymous with Anniston Army Depot. The Department of Defense sent OPM a request to eliminate the Calhoun, Alabama, Nonappropriated Fund wage area because there are too few Nonappropriated Fund craft and trade employees in that wage area to continue it as a separate wage area. The OPM staff took a look at the regulatory criteria, which are explained in detail in 651-MGT-2.

This would also affect—it would affect, I believe, 14 employees who are in Calhoun County, and it would affect 6 employees who are in the VA Medical Center in Birmingham, Alabama. The management recommendation is based on distance from the official duty stations of where the remaining employees are to the nearest survey area.

In analysis, the regulatory criteria would point to Calhoun County being added to the Cobb, Georgia, which is Atlanta, basically. And also based on distance, the VA Medical Center employees in Jefferson County would be added to the Madison, Alabama, NAF wage area, and that's basically Huntsville.

All of the wage schedules under consideration here are based on the \$15-an-hour minimum wage policy. They're all special rate schedules. There are some differences between the rates that are payable, but they're pretty minor, such as the rates for Calhoun County. At NA-2 [phonetic], it ranges from \$16.93 to \$19.76. I took a

look at these again this morning. The Cobb wage area, instead of \$16.93, it's \$16.88, so you get a \$0.05-an-hour difference there and \$19.70 at Step 5. Madison is \$16.92, ranging up to \$19.74. So typically, what happens when employees are moved to a different wage schedule, if they are—let's say somebody is at Step 1, and Step 1 on the wage schedule they'd be moving to, they would get the Step 2 rate based on pay retention rules. They'd actually get an increase in pay. If there are employees there at Step 5, they would be on pay retention. But like I was saying, in this case, it's maybe like \$0.04- to \$0.06-an-hour difference.

I don't think that any of these wage schedules have yet been adjusted for this fiscal year. I think those are coming due. I mean, maybe June, July, maybe August. So the annual increase goes into effect then.

If I messed any of that up, if Karl, somebody on his staff, could chime in to share additional details, but it's pretty clear to me that just based on the distance criteria that the wage area definitions are the ones that should be followed.

Mr. Fendt: I support everything you're saying is correct.

Mr. Allen: Okay.

Ms. Simon: I have a question, Mark. If and when the changes in the criteria, the regulatory criteria for drawing boundaries, are applied, would there be any difference here?

Mr. Allen: No, Jacque. These are just for the nonappropriated fund employees.

Ms. Simon: Okay.

Mr. Allen: The other—you know, the change of the regulatory criteria that we've got pending in a proposed regulation draft, those are for just the appropriated fund

employees.

Ms. Simon: Okay.

Chair Lachance: Any other questions or comments?

[No audible response.]

Chair Lachance: Is the committee comfortable moving ahead with this?

[No audible response.]

Chair Lachance: Or maybe I should say, are there any objections?

[No audible response.]

Chair Lachance: It doesn't sound like it so I think we can proceed with this as a consensus item.

Does anybody want to go back to any of the Old Business items? I think those would, for the most part, get resolved with the new regulations and with the action we took in December, but I want to make sure that everybody has an opportunity if they want to raise anything.

[No audible response.]

Chair Lachance: Since there are no other items under New Business and we're good with keeping the Old Business agenda items on the list as committee members requested but not discussing them, we could adjourn.

Is there a motion?

Ms. Simon: I move that we adjourn.

Chair Lachance: Thanks, Jacque.

Is there a second?

Ms. Vicks: I second that.

Chair Lachance: Great. Thank you.

And if no one's opposed to adjourning the meeting, we can close this one out and gather again next month.

[End of recorded session.]