Geographic coverage/allowance category	Authorized allowance rate (percent)
Rest of the State: All Employees	25.0
City and County of Honolulu:  All Employees	25.0
County of Hawaii:	
All Employees	15.0
County of Kauai:  All Employees	22.5
County of Maui and County of Kalawao:	
All Employees	22.5
Territory of Guam and Commonwealth of the Northern Mariana Islands	25.0
Local Retail  Commissary/Exchange	20.0
Commonwealth of Puerto Rico	
All Employees	10.0
U.S. Virgin Islands  All Employees	20.0

#### **Definitions of Allowance Categories**

The following are definitions of the allowance categories used in the tables in this appendix.

All Employees: This category covers all Federal employees eligible for an allowance under 5 U.S.C. 5941.

Local Retail: This category covers all Federal employees eligible for an allowance who do not have unlimited access to commissary and exchange facilities by virtue of their Federal civilian employment.

Commissary/Exchange: This category covers all Federal employees eligible for an allowance who have unlimited access to commissary and exchange facilities by virtue of their Federal civilian employment.

Note: The appropriate military department determines eligibility for access to military commissary and exchange facilities. If an employee is furnished with these privileges for reasons associated with his or her Federal civilian employment, he or she will receive an identification card that authorizes access to such facilities. Possession of such an identification card is sufficient evidence that the employee uses the facilities.

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### OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 591 RIN 3206-AI38

## Cost-of-Living Allowances (Nonforeign Areas); Honolulu, HI

**AGENCY:** Office of Personnel

Management. **ACTION:** Final rule.

**SUMMARY:** The Office of Personnel Management is adopting as final an interim increase in the cost-of-living allowance (COLA) rate for Honolulu.

The increase was the result of our 1997 cost-of-living surveys in certain nonforeign areas. We are also making a change in the Miscellaneous Expense category we use in the COLA methodology that will identify education as an expense. This increase is a result of cost-of-living surveys conducted in the summer of 1997 using our current methodology for calculating COLA rates. A settlement agreement that is currently awaiting court approval calls for OPM to use a new methodology in conducting future surveys and in calculating future COLA rates. Therefore, the survey results reflected in this rule are not an indication of what survey results or COLA rates would be under the new methodology.

DATES: Effective date: August 16, 2000. FOR FURTHER INFORMATION CONTACT: Donald L. Paquin, (202) 606–2838; fax: (202) 606–4264; or email: COLA@opm.gov.

SUPPLEMENTARY INFORMATION: The Federal Government pays cost-of-living allowances (COLAs) to General Schedule, U.S. Postal Service, and certain other Federal employees in Alaska, Hawaii, Guam and the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands. The Office of Personnel Management (OPM) conducts cost-ofliving surveys in each allowance area to determine whether, and to what degree, local living costs are higher than those in Washington, DC. OPM sets the COLA rate for each area based on the results of these surveys.

On October 21, 1998, we published an interim rule for comment in the **Federal Register** (63 FR 56430) that—
—Increased the COLA rate for the Honolulu allowance area from 22.5

- percent to 25 percent based on the 1997 survey results, and
- —Broadened the composition of the Miscellaneous Expense category used in the COLA methodology.

We received one comment on the interim regulations. The commenter felt that the change in the Miscellaneous Expense category should identify education as an expense. Alternatively, the commenter thought we should emphasize that other expenses are possible or describe the kinds of expenses that may be included in the category. We agree that adding education to the listing would be helpful, and we have changed the wording as suggested.

#### **Regulatory Flexibility Act**

I certify that this regulation will not have a significant economic impact on a substantial number of small entities because the regulation will affect only Federal agencies and employees.

#### List of Subjects in 5 CFR Part 591

Government employees, Travel and transportation expenses, Wages.

Office of Personnel Management.

Janice R. Lachance,

Director.

Accordingly, OPM is adopting the interim regulations for 5 CFR part 591 published on October 21, 1998, at 63 FR 56430 as final with one change, as set forth below:

## PART 591—ALLOWANCES AND DIFFERENTIALS

# Subpart B—Cost-of-Living Allowance and Post Differential—Nonforeign Areas

1. The authority citation for subpart B of part 591 continues to read as follows:

**Authority:** 5 U.S.C. 5941; E.O. 10000, 3 CFR, 1943–1948 Comp., p. 792; E.O. 12510, 3 CFR, 1985 Comp., p. 338.

2. In § 591.205, paragraph (b)(4) is revised to read as follows:

#### § 591.205 Comparative cost index.

\* \* \* \* \* (b) \* \* \*

(4) Miscellaneous expenses. Miscellaneous expenses, including expenses for health care, gifts, contributions, savings and investments, retirement, life insurance, and education, are estimated from consumer expenditure surveys and other data appropriate for Federal employees for each income level.

\* \* \* \* \*

[FR Doc. 00–17569 Filed 7–14–00; 8:45 am]  $\tt BILLING$  CODE 6325–01–P