

§ 530.204

5 CFR Ch. I (1-1-01 Edition)

to the estimated aggregate compensation the employee is projected to receive, would cause the aggregate compensation actually received by the employee during the calendar year to exceed the rate payable for level I of the Executive Schedule at the end of the calendar year. Any portion of a discretionary payment deferred under this paragraph shall become available for payment as provided in § 530.204. The authorization and payment of a retention allowance are governed by the rules set forth in subpart C of part 575 of this chapter.

(d) Nondiscretionary payments may not be deferred or discontinued for any period of time in order to make a discretionary payment that would otherwise cause an employee's pay to exceed any limitation described in or established by this section.

(e) If the estimated aggregate compensation to which an employee is entitled, after deferral of discretionary payments as required by paragraph (c) of this section, exceeds the rate in effect for level I of the Executive Schedule at the end of the calendar year, the agency shall defer all nondiscretionary payments (other than basic pay) at the time when otherwise continuing such payments would cause the aggregate compensation actually received by the employee during the calendar year to exceed the rate payable for level I of the Executive Schedule at the end of the calendar year. Any portion of a nondiscretionary payment deferred under this paragraph shall become available for payment as provided in § 530.204.

(f) If an agency makes an incorrect estimate of aggregate compensation at an earlier date in the calendar year, the sum of an employee's remaining payments of basic pay (which may not be deferred) may exceed the difference between the aggregate compensation the employee has actually received to date in that calendar year and the rate for level I of the Executive Schedule. In this case, the employee will become indebted to the Federal Government for any amount paid in excess of the level I aggregate limitation. To the extent that the excess amount is attributable to amounts that should have been deferred and would have been pay-

able at the beginning of the next calendar year, the debt will be extinguished on January 1 of the next calendar year. As part of the correction of the error, the excess amount will be deemed to have been paid on January 1 of the next calendar year (when the debt was extinguished) as if it were a deferred excess payment as described in § 530.204 and must be considered part of the employee's aggregate compensation for the new calendar year.

[56 FR 12835, Mar. 28, 1991, as amended at 57 FR 3114, Jan. 28, 1992; 58 FR 50249, Sept. 27, 1993; 64 FR 69172, Dec. 10, 1999]

§ 530.204 Payment of excess amounts.

(a) Except as provided in paragraph (d) of this section, amounts in excess of the limitations described in or established by § 530.203 shall be paid to the employee in a lump-sum at the beginning of the following calendar year. The amount so paid shall be considered part of the employee's aggregate compensation for the new calendar year.

(b) If a lump-sum payment provided for in paragraph (a) of this section causes an employee's estimated aggregate compensation to exceed the rate payable for level I of the Executive Schedule at the end of the calendar year, the agency shall consider only the employee's basic pay in determining the extent to which the lump-sum payment may be paid and shall defer all other payments, as provided in § 530.203, in order to pay as much of the excess amount as possible. Any payments deferred under this paragraph, including any portion of the excess amount that was not payable, shall become payable at the beginning of the next calendar year, as provided in paragraph (a) of this section.

(c) If an employee transfers to another agency or leaves the Federal service, the agency responsible for making the payment is the agency that employed the individual when the excess amount was created.

(d) The following conditions permit payment of excess aggregate compensation without regard to the calendar year limitation:

(1) If an employee dies, the excess amount is payable immediately as part of the settlement of accounts, in accordance with 5 U.S.C. 5582.

(2) If an employee separates from the Federal service, the entire excess amount is payable following a 30-day break in service. If the individual is re-employed in the Federal service in the same calendar year as separation, any previous payment of an excess amount shall be considered part of that year's aggregate compensation for the purpose of applying the limitations described in § 530.203 of this part for the remainder of the calendar year.

[56 FR 12835, Mar. 28, 1991, as amended at 57 FR 3115, Jan. 28, 1992; 58 FR 50249, Sept. 27, 1993]

§ 530.205 Records.

Each agency shall maintain appropriate records to administer this subpart and shall transfer such records to any agency to which an employee may transfer and make such records available to any agency in which an employee may be reemployed during the same calendar year.

Subpart C—Special Salary Rate Schedules for Recruitment and Retention

SOURCE: 50 FR 32841, Aug. 15, 1985, unless otherwise noted.

§ 530.301 Applicability.

This subpart applies to agencies having positions paid under—

- (a) A statutory pay system; or
- (b) Any other pay system established by or under Federal statute for civilian positions within the executive branch.

[56 FR 20335, May 3, 1991]

§ 530.302 Authority.

In lieu of the pay schedules identified in § 530.301 of this part, the Office of Personnel Management (OPM) may establish, and agencies shall pay, special salary rates under section 5305 of title 5, United States Code, Executive Order 12748, and this subpart.

[56 FR 20335, May 3, 1991]

§ 530.303 Establishing and adjusting special salary rate schedules.

(a) OPM may increase the minimum rates otherwise payable under the pay schedules identified in § 530.301 of this

part in one or more areas or locations to the extent it considers necessary to overcome existing or likely significant handicaps in the recruitment or retention of well-qualified personnel when these handicaps are due to any of the circumstances described in paragraph (b) of this section. When a minimum rate is increased under this authority, increases may also be made in one or more of the remaining rates of the affected grade or level. In no event may an increased minimum rate exceed the maximum rate prescribed by law for the grade or level by more than 30 percent, and no rate may be established under this section in excess of the rate of basic pay payable for level V of the Executive Schedule.

(b) The circumstances referred to in paragraph (a) of this section are the following:

(1) Rates of pay offered by non-Federal employers are significantly higher than those payable by the Government within the area, location, occupational group, or other class of positions under the pay system involved;

(2) The remoteness of the area or location involved;

(3) The undesirability of the working conditions or the nature of the work involved (including exposure to toxic substances or other occupational hazards); or

(4) Any other circumstances OPM considers appropriate.

(c) An agency may propose to OPM that special salary rates be established or adjusted. The agency initiating such a request and all other agencies wishing to be included are responsible for submitting complete supporting data, as specified by OPM, including, after consulting with OPM, a survey of prevailing non-Federal pay rates in the relevant labor market.

(d) All requests to establish or adjust special salary rate schedules must be transmitted directly to OPM's central office by the agency's headquarters. Each request must include a certification by the head of the agency (or another official designated to act on behalf of the head of the agency with respect to the given schedule) that the requested special salary rates are considered necessary to ensure staffing