in the regular tour for which substitution is made, consistent with this section and § 550.1304.

§ 550.1304 Overtime hourly rates of pay.

(a) For a firefighter who is covered by (i.e., nonexempt from) the overtime provisions of the Fair Labor Standards Act (FLSA), the overtime hourly rate of pay equals 1½ times the firefighter hourly rate of basic pay for that firefighter, as established under § 550.1303(a) and (b)(2).

(b) For a firefighter who is exempt from the FLSA, the overtime hourly rate is computed as provided in § 550.113(e).

(c) For any firefighter, overtime pay for any pay period is derived by multiplying the applicable overtime hourly rate by all overtime hours within that period.

§ 550.1305 Treatment as basic pay.

(a) The sum of pay for nonovertime hours that are part of a firefighter's regular tour of duty (as computed under § 550.1303) and the straight-time portion of overtime pay for hours in a firefighter's regular tour of duty is treated as basic pay for the following purposes:

(1) Retirement deductions and benefits under chapters 83 and 84 of title 5, United States Code;

(2) Life insurance premiums and benefits under chapter 87 of title 5, United States Code;

(3) Severance pay under section 5595 of title 5, United States Code;

(4) Cost-of-living allowances and post differentials under section 5941 of title 5, United States Code; and

(5) Advances in pay under section 5524a of title 5, United States Code.

(b) The straight-time portion of overtime pay for hours in a firefighter's regular tour of duty is derived by multiplying the applicable firefighter hourly rate of basic pay computed under § 550.1303(a) and (b)(2) by the number of overtime hours in the firefighter's regular tour of duty.

(c) Pay for any nonovertime hours outside a firefighter's regular tour of duty is computed using the firefighter hourly rate of basic pay as provided in § 550.1303(a) and (b)(2), but that pay is

not considered basic pay for any purpose.

(d) For firefighters compensated under § 550.1303(b), pay for nonovertime hours within the regular tour of duty, but outside the basic 40-hour workweek, is basic pay only for the purposes listed in paragraph (a) of this section.

(e) Locality pay under 5 U.S.C. 5304 is basic pay for firefighters only to the extent provided in this subpart, § 531.606(b) of this chapter, or other specific provision of law.

§ 550.1306 Relationship to other entitlements.

(a) A firefighter who is compensated under this subpart is entitled to overtime pay as provided under this subpart, but may not receive additional premium pay under any other provision of subchapter V of chapter 55 of title 5, United States Code, including night pay, Sunday pay, holiday pay, and hazardous duty pay.

(b) A firefighter who is subject to section 7(k) of the Fair Labor Standards Act (FLSA) and who is subject to this subpart is deemed to be appropriately compensated under section 7(k) of the FLSA if the requirements of § 550.1304(a) are satisfied.

(c) In computing a lump-sum payment for accumulated annual leave under 5 U.S.C. 5551 and 5552 for firefighters with an uncommon tour of duty established under § 631.210 of this chapter for leave purposes, an agency must use the rates of pay for the position held by the firefighter that apply to hours in that uncommon tour of duty, including regular overtime pay for such hours.

§ 550.1307 Authority to regularize paychecks.

Upon a written request from the head of an agency (or designee), the Office of Personnel Management may approve an agency's plan to reduce or eliminate variation in the amount of firefighters' biweekly paychecks caused by work scheduling cycles that result in varying hours in the firefighters' tours of duty from pay period to pay period. Such a plan must provide that the total pay any firefighter would otherwise receive for regular tours of duty over the firefighter's entire work

scheduling cycle must, to the extent practicable, remain the same.

§ 550.1308 Transitional provisions.

(a)(1) Effective on the first day of the first pay period beginning on or after October 1, 1998, a firefighter subject to this subpart who has a regular tour of duty that averages 60 hours or less per week during a year, and that does not include a basic 40-hour workweek, must be granted an increase in basic pay equal to two within-grade increases for the General Schedule grade applicable to the firefighter.

(2) An increase granted under paragraph (a)(1) of this section is not considered an equivalent increase in pay for within-grade increase purposes under 5 U.S.C. 5335 and subpart D of part 531 of this chapter.

(3) If an increase granted under paragraph (a)(1) of this section results in a longer waiting period for the firefighter's next within-grade increase, the firefighter must be credited with 52 weeks of service for the purpose of that waiting period.

(4) If an increase granted under paragraph (a)(1) of this section results in a rate of basic pay that is above the maximum rate of basic pay for the applicable grade, that resulting pay rate must be treated as a retained rate of basic pay consistent with 5 U.S.C. 5363 and part 536 of this chapter.

(b)(1) Effective on the first day of the first pay period beginning on or after October 1, 1998, an employing agency must temporarily establish a protected annual rate of basic pay that exceeds a firefighter's actual annual rate of basic pay (including any adjustment under paragraph (a) of this section), if necessary to ensure that the firefighter's annualized regular pay is not reduced on that date. For this purpose, *annualized regular pay* means total pay for hours in the firefighter's regular tour of duty, expressed as an annual rate based on the cycle of schedules under the firefighter's regular tour of duty. The annualized regular pay resulting from using the protected rate in applying the pay computation rules under this subpart must approximately equal (but be no less than) the annualized regular pay to which the firefighter would have been entitled on the effective date of this paragraph under the former pay computation method.

(2) The protected rate of basic pay is fixed and not subject to further adjustments. The protected rate is a scheduled rate of basic pay for purposes of computing locality payments under 5 U.S.C. 5304 and part 531, subpart F of this chapter.

(3) The protected rate of basic pay is terminated when it is equal to or less than the firefighter's actual rate of basic pay or when the employee is no longer covered by this subpart.

(c) For purposes of this section, the term basic pay excludes locality pay under 5 U.S.C. 5304 and part 531, subpart F, of this chapter.

PART 551—PAY ADMINISTRATION UNDER THE FAIR LABOR STANDARDS ACT

Subpart A—General Provisions

Subpart B—Exemptions and Exclusions

Subpart C—Minimum Wage Provisions

BASIC PROVISION

SUBMINIMUM WAGE

Subpart D—Hours of Work

GENERAL PROVISIONS