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## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 532

RIN 3206-AG12

### Prevailing Rate Systems; Special Wage Schedules for Supervisors of Negotiated Rate Bureau of Reclamation Employees

**AGENCY:** Office of Personnel Management.

**ACTION:** Final rule.

**SUMMARY:** The Office of Personnel Management is issuing a final rule to establish special wage schedules for the supervisors of certain Bureau of Reclamation, Department of the Interior, employees who negotiate their wage rates.

**EFFECTIVE DATE:** February 27, 1995.

**FOR FURTHER INFORMATION CONTACT:** Paul Shields, (202) 606-2848.

**SUPPLEMENTARY INFORMATION:** On September 7, 1994, at 59 FR 46201, the Office of Personnel Management (OPM) published a proposed rule to establish special wage schedules for the supervisors of certain Bureau of Reclamation, Department of the Interior, employees who negotiate their wage rates, with a 30-day comment period. During the comment period, which ended October 7, 1994, OPM received comments from a local union officer and six employees.

#### Discussion of Comments

1. The local union officer and two employees said they thought the new special schedule system would be expensive and recommended that the current process of linking the pay of supervisors with bargaining unit rates of pay be continued or modified.

We do not agree with these comments. This new special schedule proposal was developed by the Bureau

of Reclamation working in partnership with the covered supervisors and reflects agreements reached in those discussions. When the agency removed the supervisors from the bargaining units in 1990, the only pay system available was the Federal Wage System (FWS) under the provisions of title 5, United States Code. The agency received authority to temporarily continue (as an agency "set-aside" practice) the historical pay differentials at each location, subject to the statutory pay limitations of the FWS. Pay setting for these supervisors is complicated by the combined factors of wage negotiations for bargaining unit employees, delays in those negotiations, pay limitation statutes, and FWS locality pay rates. The purpose of this special schedule is to eliminate, in the pay-setting process for these supervisors, the dependence on negotiated rates for the bargaining unit and the associated complications of delays in negotiations.

Based on the information currently available, the proposed special schedule will not result in a significant increase in operating costs. Under the new survey process, the special wage survey for supervisors will be timed to coincide with the annual survey that is done for bargaining unit employees. The surveys will be done at the same time with many of the same firms being surveyed for both purposes. The special wage survey committees and data collector personnel will be the same, with a few additions for the supervisory survey.

2. Several questions were raised about how special wage area boundaries were set up. Special wage area boundaries were generally established to correspond to the boundaries currently being used for the wage surveys for bargaining unit employees. However, in some cases, areas were consolidated either because of the desire to simplify the survey and wage setting process, the geographic location of the Bureau of Reclamation projects, the desire to permit use of the same survey company in more than one project, or the similarity of the rates being paid to the Bureau of Reclamation supervisors in consolidated areas.

Three employees recommended that the survey area for the Hungry Horse Project Office be extended to include Pend Oreille County, Washington, which would include Boundary Dam, a

facility of Seattle City Light Company. As a city government facility, Boundary Dam does not meet the statutory FWS requirement that only private industry companies be surveyed. However, since Pend Oreille County is within the survey area used for the bargaining unit employees, and the Bureau of Reclamation is attempting to coordinate surveys for the supervisors with those of the bargaining unit, we have added Pend Oreille County to the Hungry Horse Project Office survey area. This will also facilitate the process in the future should the local area survey committee need to add private industry survey companies in that county.

3. The local union officer and three employees commented on the industries and companies to be included in the special surveys. The union suggested that only unionized companies be surveyed. We do not agree with this suggestion because under statutes and regulations, FWS pay-setting is based on a determination of private industry prevailing rates, regardless of union organization. The three employees expressed concern that private industry electric utility and hydro-electric companies would not be included in the surveys. No changes in the regulation are needed. These industries are expressly included by the regulation at § 532.285(c)(1) (Standard Industrial Classification Major Group 49—Electric, Gas, and Sanitary Services).

4. Two employees expressed concern that the survey jobs being used in the special surveys would not cover jobs in large hydro-electric facilities with multi-crafts. We do not feel a change is necessary. This special schedule process takes into account the number of crafts supervised and the range of work supervised through application of the classification criteria found in Factor 1 and Subfactor IIIA of the FWS Job Grading Standard for Supervisors. These job aspects are covered by Subfactor IIIA, Scope of Assigned Work Function and Organizational Authority, which addresses aspects reflecting the variety of crafts and the range of work. For example, at Level A-4, the scope and diversity of work supervised is addressed. Similarly, one of the elements used in distinguishing the difference among situations in Factor 1, Nature of Supervisory Responsibility, is the number of levels of supervision through which work activities are

controlled. More levels of supervision tend to be associated with a greater number of crafts supervised.

One employee asked how the four levels for Supervisors I-IV fit into the survey process. As explained in § 532.285 (b) and (c)(3) of the final regulation, survey jobs representing positions at up to four levels will be tailored to correspond to the positions of each covered supervisor in that area. They will be matched to private industry jobs in each special wage area. Special schedule rates for each position will be based on prevailing rates for that particular job in private industry. The special survey and wage schedule for a given area includes only those occupations and levels having employees in that area. The regulation was not changed in this respect.

5. An employee expressed concern that current supervisors would not be adequately compensated for their experience upon conversion to the new special schedule as compared to newly hired supervisors. The new special schedule provides special consideration to current supervisors in the first year of implementation. Under § 532.285(f)(2), current supervisors are placed in step 2 of the new special schedule, unless their rate of pay exceeds step 2, in which case they will be placed in step 3. Pay retention benefits will apply to any employee whose current rate of pay exceeds step 3. New employees will enter at step 1 of the grade, unless a higher rate is established in accordance with the advanced in-hire rate procedure. The new special schedule provides added compensation for the experience of current employees, and no changes are necessary.

6. Two employees recommended that the definition of compensation measured in industry surveys be expanded to include other company benefits, such as a company vehicle with gas provided to get to and from work, paid insurance coverage, company housing, and company stock purchase options. The regulation will not be modified in this regard. Under FWS statutes and practices, surveyed wages do include certain bonuses, incentive rates, and cost of living allowances. Surveying the additional benefits suggested would require a change in the law.

7. Finally, one employee commented that while the beginning month of the survey for each special area is specified in the rule, implementation or effective dates for the new schedules are not specified. No change is necessary because, as with the regular FWS, beginning dates for the special surveys are specified in the regulation, and by

statute (5 U.S.C. 5344(a)) increases in rates of pay are effective not later than the first day of the first pay period beginning on or after the 45th day following the date the survey is ordered to be made.

#### Other Changes

The special schedule survey cycle in this rule has been changed from 3 years to 2 years because it has been determined that the 3-year proposal exceeded OPM's regulatory flexibility. The prevailing rate law grants OPM great flexibility to establish special schedules that differ from regular schedules in terms of wage area boundaries; industrial, geographic, and occupational survey coverage; step rate structures; and wage rate progressions. However, the regulatory flexibility to adjust the normal 2-year survey cycle allows only for more frequent, not less frequent full-scale surveys.

In § 532.285(f)(1), the reference to "fiscal year 1995" has been deleted because this final rule will not be effective until well into the fiscal year.

#### Regulatory Flexibility Act

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

#### List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Freedom of information, Government employees, Reporting and recordkeeping requirements, Wages.

Office of Personnel Management.

**Lorraine A. Green,**

*Deputy Director.*

Accordingly, OPM is amending 5 CFR part 532 as follows:

#### PART 532—PREVAILING RATE SYSTEMS

1. The authority citation for part 532 continues to read as follows:

**Authority:** 5 U.S.C. 5343, 5346; § 532.707 also issued under 5 U.S.C. 552.

2. Subpart B is amended by adding § 532.285 to read as follows:

#### § 532.285 Special wage schedules for supervisors of negotiated rate Bureau of Reclamation employees.

(a) The Department of the Interior shall establish and issue special wage schedules for wage supervisors of negotiated rate wage employees in the Bureau of Reclamation. These schedules shall be based on annual special wage surveys conducted by the Bureau of Reclamation in each special wage area. Survey jobs representing Bureau of

Reclamation positions at up to four levels will be matched to private industry jobs in each special wage area. Special schedule rates for each position will be based on prevailing rates for that particular job in private industry.

(b) Each supervisory job shall be described at one of four levels corresponding to the four supervisory situations described in Factor I and four levels of Subfactor IIIA of the FWS Job Grading Standard for Supervisors. They shall be titled in accordance with regular FWS practices, with the added designation of level I, II, III, or IV. The special survey and wage schedule for a given special wage area includes only those occupations and levels having employees in that area. For each position on the special schedule, there shall be three step rates. Step 2 is the prevailing rate as determined by the survey; step 1 is 96 percent of the prevailing rate; and step 3 is 104 percent of the prevailing rate.

(c) For each special wage area, the Bureau of Reclamation shall designate and appoint a special wage survey committee, including a chairperson and two other members (at least one of whom shall be a supervisor paid from the special wage schedule), and one or more two-person data collection teams (each of which shall include at least one supervisor paid from the special wage schedule). The local wage survey committee shall determine the prevailing rate for each survey job as a weighted average. Survey specifications are as follows for all surveys:

(1) Tailored to the Bureau of Reclamation activities and types of supervisory positions in the special wage area, private industry companies to be surveyed shall be selected from among the following Standard Industrial Classification Major Groups: 12 coal mining; 13 oil and gas extraction; 14 mining and quarrying of nonmetallic minerals, except fuels; 35 manufacturing industrial and commercial machinery and computer equipment; 36 manufacturing electronic and other electrical equipment and components, except computer equipment; 42 motor freight transportation and warehousing; 48 communications; 49 electric, gas, and sanitary services; and 76 miscellaneous repair services. No minimum employment size is required for surveyed establishments.

(2) Each local wage survey committee shall compile lists of all companies in the survey area known to have potential job matches. For the first survey, all companies on the list will be surveyed. Subsequently, companies shall be removed from the survey list if they

prove not to have job matches, and new companies will be added if they are expected to have job matches. Survey data will be shared with other local wage survey committees when the data from any one company is applicable to more than one special wage area.

(3) For each area, survey job descriptions shall be tailored to correspond to the position of each covered supervisor in that area. They will be described at one of four levels (I, II, III, or IV) corresponding to the definitions of the four supervisory situations described in Factor I and four levels of Subfactor IIIA of the FWS Job Grading Standard for Supervisors. A description of the craft, trade, or labor work supervised will be included in each supervisory survey job description.

(d) Special wage area boundaries shall be identical to the survey areas covered by the special wage surveys. The areas of application in which the special schedules will be paid are generally smaller than the survey areas, reflecting actual Bureau of Reclamation worksites and the often scattered location of surveyable private sector jobs. Special wage schedules shall be established in the following areas:

#### **The Great Plains Region**

##### *Special Wage Survey Area (Counties)*

*Montana:* All counties except Lincoln, Sanders, Lake, Flathead, Mineral, Missoula, Powell, Granite, and Ravalli

*Wyoming:* All counties except Lincoln, Teton, Sublette, Uinta, and Sweetwater

*Colorado:* All counties except Moffat, Rio Blanco, Garfield, Mesa, Delta, Montrose, San Miguel, Ouray, Delores, San Juan, Montezuma, La Plata, and Archuleta

*North Dakota:* All counties

*South Dakota:* All counties

##### *Special Wage Area of Application (Counties)*

*Montana:* Broadwater, Jefferson, Lewis and Clark, Yellowstone, and Bighorn Counties

*Wyoming:* All counties except Lincoln, Teton, Sublette, Uinta, and Sweetwater

*Colorado:* Boulder, Chaffee, Clear Creek, Eagle, Fremont, Gilpin, Grand, Lake, Larimer, Park, Pitkin, Pueblo, and Summit

*Beginning month of survey:* August

#### **The Mid-Pacific Region**

##### *Special Wage Survey Area (Counties)*

*California:* Shasta, Sacramento, Butte, San Francisco, Merced, Stanislaus

##### *Special Wage Area of Application (Counties)*

*California:* Shasta, Sacramento, Fresno, Alameda, Tehoma, Tuolumne, Merced

*Beginning month of survey:* October

#### **Green Springs Power Field Station**

##### *Special Wage Survey Area (Counties)*

*Oregon:* Jackson

##### *Special Wage Area of Application (Counties)*

*Oregon:* Jackson

*Beginning month of survey:* April

#### **Pacific NW. Region Drill Crew**

##### *Special Wage Survey Area (Counties)*

*Montana:* Flathead, Missoula

*Oregon:* Lane, Bend, Medford, Umatilla, Multnomah

*Utah:* Salt Lake

*Idaho:* Ada, Canyon, Adams

*Washington:* Spokane, Grant, Lincoln, Okanogan

##### *Special Wage Area of Application (Counties)*

*Oregon:* Deschutes, Jackson, Umatilla

*Montana:* Missoula

*Idaho:* Ada

*Washington:* Grant, Lincoln, Douglas, Okanogan, Yakima

*Beginning month of survey:* April

#### **Snake River Area Office (Central Snake/Minidoka)**

##### *Special Wage Survey Area (Counties)*

*Idaho:* Ada, Caribou, Bingham, Bannock

##### *Special Wage Area of Application (Counties)*

*Idaho:* Gem, Elmore, Bonneville, Minidoka, Boise, Valley, Power

*Beginning month of survey:* April

#### **Hungry Horse Project Office**

##### *Special Wage Survey Area (Counties)*

*Montana:* Flathead, Missoula, Cascade, Sanders, Lake

*Idaho:* Bonner

*Washington:* Pend Oreille

##### *Special Wage Area of Application (Counties)*

*Montana:* Flathead

*Beginning month of survey:* March

#### **Grand Coulee Power Office (Grand Coulee Project Office)**

##### *Special Wage Survey Area (Counties)*

*Oregon:* Multnomah

*Washington:* Spokane, King

##### *Special Wage Area of Application (Counties)*

*Washington:* Grant, Douglas, Lincoln, Okanogan

*Beginning month of survey:* April

#### **Upper Columbia Area Office (Yakima)**

##### *Special Wage Survey Area (Counties)*

*Washington:* King, Yakima

*Oregon:* Multnomah

##### *Special Wage Area of Application (Counties)*

*Washington:* Yakima

*Oregon:* Umatilla

*Beginning Month of Survey:* September

#### **Colorado River Storage Project Area**

##### *Special Wage Survey Area (Counties)*

*Arizona:* Apache, Coconino, Navajo

*Colorado:* Moffat, Montrose, Routt, Gunnison, Rio Blanco, Mesa, Garfield, Eagle, Delta, Pitkin, San Miguel, Delores, Montezuma, La Plata, San Juan, Ouray, Archuleta, Hindale, Mineral

*Wyoming:* Uinta, Sweetwater, Carbon, Albany, Laramie, Goshen, Platte, Niobrara,

Converse, Natrona, Fremont, Sublette, Lincoln

*Utah:* Beaver, Box Elder, Cache, Carbon, Daggett, Davis, Duchesne, Emery, Garfield, Grand, Iron, Juab, Kane, Millard, Morgan, Piute, Rich, Salt Lake, San Juan, Sanpete, Sevier, Summit, Tooele, Uintah, Utah, Wasatch, Washington, Wayne, Weber

##### *Special Survey Area of Application (Counties)*

*Arizona:* Coconino

*Colorado:* Montrose, Gunnison, Mesa

*Wyoming:* Lincoln

*Utah:* Daggett

*Beginning month of survey:* March

#### **Elephant Butte Area**

##### *Special Wage Survey Area (Counties)*

*New Mexico:* Grant, Hidalgo, Luna, Doña Ana, Otero, Eddy, Lea, Roosevelt, Chaves, Lincoln, Sierra, Socorro, Catron, Cibola, Valencia, Bernalillo, Torrance, Guadalupe, De Baca, Curry, Quay

*Texas:* El Paso, Hudspeth, Culberson, Jeff Davis, Presidio, Brewster, Pecos, Reeves, Loving, Ward, Winkler

*Arizona:* Apache, Greenlee, Graham, Cochise

##### *Special Wage Area of Application (Counties)*

*New Mexico:* Sierra

*Beginning month of survey:* June

#### **Lower Colorado Dams Area**

##### *Special Wage Survey Area (Counties)*

*Nevada:* Clark

*California:* Los Angeles

*Arizona:* Maricopa

##### *Special Wage Area of Application (Counties)*

*Nevada:* Clark

*California:* San Bernardino

*Arizona:* Mohave

*Beginning month of survey:* August

#### **Yuma Projects Area**

##### *Special Wage Survey Area (Counties)*

*California:* San Diego

*Arizona:* Maricopa, Yuma

(Note: Bureau of Reclamation may add other survey counties for dredge operator supervisors because of the uniqueness of the occupation and difficulty in finding job matches.)

##### *Special Wage Area of Application (Counties)*

*Arizona:* Yuma

*Beginning month of survey:* November (Maintenance) and April (Dredging)

#### **Bureau of Reclamation, Denver, CO, Area**

##### *Special Wage Survey Area (Counties)*

*Colorado:* Jefferson, Denver, Adams, Arapahoe, Boulder, Larimer

##### *Special Wage Survey Area of Application (Counties)*

*Colorado:* Jefferson

*Beginning month of survey:* February

(e) These special schedule positions will be identified by pay plan code XE, grade 00, and the Federal Wage System occupational codes will be used. New employees shall be hired at step 1 of the

position. With satisfactory or higher performance, advancement between steps shall be automatic after 52 weeks of service.

(f) (1) In the first year of implementation, all special areas will have full-scale surveys.

(2) Current employees shall be placed in step 2 of the new special schedule, or, if their current rate of pay exceeds the rate for step 2, they shall be placed in step 3. Pay retention shall apply to any employee whose rate of basic pay would otherwise be reduced as a result of placement in these new special wage schedules.

(3) The waiting period for within-grade increases shall begin on the employee's first day under the new special schedule.

[FR Doc. 95-2013 Filed 1-26-95; 8:45 am]

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## 5 CFR Part 532

RIN 3206-AG53

### Prevailing Rate Systems; Abolishment of New York, New York, Special Wage Schedules for Printing Positions

**AGENCY:** Office of Personnel Management.

**ACTION:** Interim rule with request for comments.

**SUMMARY:** The Office of Personnel Management is issuing interim regulations to abolish the Federal Wage System special wage schedule for printing positions in the New York, New York, wage area. Printing and lithographic employees in New York, New York, will now be paid rates from the regular New York, New York, wage schedule.

**DATES:** This interim rule becomes effective on January 27, 1995. Comments must be received by February 27, 1995. Employees paid rates from the New York, New York, special wage schedule for printing positions will continue to be paid from that schedule until their conversion to the regular New York, New York, wage schedule effective on the first day of the first full pay period beginning on or after January 27, 1995.

**ADDRESSES:** Send or deliver comments to Donald J. Winstead, Assistant Director for Compensation Policy, Personnel Systems and Oversight Group, U.S. Office of Personnel Management, Room 6H31, 1900 E Street NW., Washington, DC 20415.

**FOR FURTHER INFORMATION CONTACT:** Paul Shields, (202) 606-2848.

**SUPPLEMENTARY INFORMATION:** The Department of Defense recommended to the Office of Personnel Management that the New York, New York, Printing and Lithographic wage schedule be abolished and that the regular New York, New York, wage schedule apply to printing employees in the New York, New York, wage area. This recommendation was based on the fact that the New York, New York, special printing wage survey would produce special schedule rates lower than the regular area wage schedule rates for all but one grade level, XS-7. Because regulations provide that the special printing schedule rates may not be lower than the regular schedule rates for an area, New York, New York, special printing schedule rates for all grades but XS-7 are currently based on the New York, New York, regular wage schedule rates. The number of employees paid from this special schedule has declined in recent years from a total of 80 employees in 1985 to a current total of 18 employees, only 1 of whom is in grade XS-7.

With the reduced number of employees, it has been difficult to comply with the requirement that workers paid from the special printing schedule participate in the special wage survey process. The last full-scale survey involved the substantial work effort of contacting 103 printing establishments spread over 19 counties.

No employee's wage rate will be reduced upon conversion to the regular schedule. Because of the effects of pay cap provisions and the fact that the special printing schedule rates are based upon payable (restricted) regular schedule rates, the 17 employees paid rates based on the regular wage schedule will receive higher wage rates upon conversion. The one employee in grade XS-7 who currently receives the higher, printing survey-based rate will be entitled to continue at that rate under pay retention rules.

The Federal Prevailing Rate Advisory Committee has reviewed this recommendation and by consensus has recommended approval.

Pursuant to 5 U.S.C. 553(b)(3)(B), I find that good cause exists for waiving the general notice of proposed rulemaking. Also, pursuant to section 553(d)(3) of title 5, United States Code, I find that good cause exists for making this rule effective in less than 30 days. The notice is being waived and the regulation is being made effective in less than 30 days because preparations for the January 1995 New York, New York, survey must begin immediately.

## Regulatory Flexibility Act

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

### List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Freedom of information, Government employees, Reporting and recordkeeping requirements, Wages.

U.S. Office of Personnel Management.

**Lorraine A. Green,**  
Deputy Director.

Accordingly, OPM is amending 5 CFR part 532 as follows:

### PART 532—PREVAILING RATE SYSTEMS

1. The authority citation for part 532 continues to read as follows:

**Authority:** 5 U.S.C. 5343, 5346; § 532.707 also issued under 5 U.S.C. 552.

#### § 532.279 [Amended]

2. In § 532.279, paragraph (j)(5) is removed, and paragraphs (j)(6) through (j)(10) are redesignated as paragraphs (j)(5) through (j)(9), respectively.

[FR Doc. 95-2014 Filed 1-26-95; 8:45 am]

BILLING CODE 6325-01-M

## DEPARTMENT OF THE TREASURY

### Customs Service

#### 19 CFR Part 101

[T. D. 95-11]

### Customs Service Field Organization; Extension of Port Limits of Hilo and Kahului, Hawaii

**AGENCY:** U. S. Customs Service, Department of the Treasury.

**ACTION:** Final rule.

**SUMMARY:** This document amends the Customs Regulations pertaining to the field organization of Customs by extending the geographical limits of the ports of entry of Hilo and Kahului, Hawaii. The boundaries of the port of Hilo are extended to include the entire island of Hawaii. The boundaries of the port of Kahului are extended to include the entire island of Maui. The changes are being made to include all potential Customs work sites within the ports. These changes will enable Customs to obtain more efficient use of its personnel, facilities, and resources and to provide better service to carriers, importers, and the general public.

**EFFECTIVE DATE:** February 27, 1995.