




OFFICE OF THE DIRECTOR

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, DC 20415-1000

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MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: KAY COLES JAMES 
Director

SUBJECT: 2004 Annual Review of Special Salary Rates

The Office of Personnel Management (OPM) has completed the 2004 annual review of existing special salary rates authorized under 5 U.S.C. 5305. As a result of the 2004 annual review, 398 special rate schedules will be increased in tandem with the 2.5 percent increase in General Schedule rates. At the request of the employing agency, one special rate schedule will not receive an increase. The January 2005 special rate schedules are available on OPM's Web site at <http://www.opm.gov/oca/payrates/index.asp>.

2004 Annual Review of Special Salary Rates

The annual review, which is conducted in accordance with 5 CFR 530.304, determines the amounts by which special rate schedules will be adjusted in January 2005. In conducting the annual review, we rely on the reviews conducted by agencies employing special rate employees. (See CPM 2004-12, July 14, 2004.) Schedule adjustments result in corresponding adjustments in individual employees' special rates, as provided by 5 CFR 530.307.

Effective in January 2005, there will be 399 special rate schedules covering approximately 140,100 employees. This excludes approximately 32,700 law enforcement officers covered by special rate table 491, which is established and adjusted by law. Of the 399 special rate schedules, all but 1 will be increased in tandem with the 2.5 percent increase in the General Schedule.

The Department of Veterans Affairs (VA) requested that the special salary rates for table 544, which authorizes special rates for Department of Veterans Affairs (VA) clerical employees at GS-2 and GS-3 in Eastern Massachusetts, not be increased. VA has only a few positions at grades GS-2 and GS-3, and employees are readily promoted out of these entry-level grades. These special salary rates are no longer needed, and VA has requested that they be phased out. We previously approved VA's request to freeze table 544 special rates in conjunction with the January 1997 through January 2004 pay adjustments. All affected employees will receive a locality rate that exceeds the corresponding special rate.

Changes in Locality Pay Area Boundaries in 2005

The President's Pay Agent has approved changes in the boundaries of most of the 32 locality pay areas. These changes will become effective on the first day of the first pay period that begins on or after January 1, 2005 (January 9, 2005). The new locality pay area definitions are posted on OPM's Web site at <http://www.opm.gov/oca/04tables/locdef.asp>. The changes in the locality pay area definitions will affect a number of special salary rate employees and special rate authorizations. The following is a summary of the changes in special rate tables that will occur on January 9, 2005:

Information Technology Employees (Series 0334, 0854, 1550, 2210)

The employees in the affected counties that are currently covered by table 999B will be moved to tables 999C, 999D, 999E, or 999F.

- Employees in the following counties will be moved to table 999C:
 - Nevada County, CA
 - Kent County, DE
 - Monroe County, FL
 - Palm Beach County, FL
 - Stearns County, MN
 - Carson City, NV
 - Douglas County, NV
 - Clinton County, OH
 - Ross County, OH
 - Winchester City, VA
 - Skamania County, WA
- Employees in the following counties will be moved to table 999D:
 - Larimer County, CO
 - Barnstable County, MA
 - Hampden County, MA
 - Hampshire County, MA
 - Belknap County, NH
 - Merrimack County, NH
- Employees in the following county will be moved to table 999E:
 - Monroe County, PA
- Employees in the following counties will be moved to table 999F:
 - San Benito County, CA
 - San Joaquin County, CA

Law Enforcement Security Officers (Series 0080)

Department of Homeland Security (DHS) law enforcement security officers in Larimer County, CO, and Hampden County, MA, who are currently covered by table 980A, will be moved to table 980C.

Police Officers (Series 0083)

DHS police officers in Merrimack County, NH, and Larimer County, CO, who are currently covered by table 983A, will be moved to table 983C.

To view all current special salary rate tables or to find an individual special salary rate table by occupation and agency on the Web, please use OPM's Web application located at <http://apps.opm.gov/ssr/tables/index.cfm>.

Additional Information

For additional information, agency Chief Human Capital Officers and/or Human Resources Directors should contact their assigned OPM Human Capital Officer. Employees should contact their agency human resources offices for assistance.

Thank you for your cooperation and assistance in conducting the 2004 annual review of special rates.

cc: Chief Human Capital Officers
Human Resources Directors