Federal Salary Council
1900 E Street NW.
Washington, DC 20415-8200

7 NOV 2012

MEMORANDUM FOR: THE PRESIDENT'S PAY AGENT
                                      HONORABLE HILDA L. SOLIS
                                      HONORABLE JEFFREY ZIENTS
                                      HONORABLE JOHN BERRY

SUBJECT: Level of Comparability Payments for January 2014 and Other Matters Pertaining to the Locality Pay Program

As authorized by the Federal Employees Pay Comparability Act of 1990 (FEPCA), we present our recommendations for the establishment or modification of pay localities, the coverage of salary surveys conducted by the Bureau of Labor Statistics (BLS) for use in the locality pay program, the process of comparing General Schedule (GS) pay to non-Federal pay, and the level of comparability payments for January 2014.

Bureau of Labor Statistics (BLS) Surveys and Pay Gap Methodology

We reviewed comparisons of General Schedule (GS) and non-Federal pay based on new data from the model BLS developed for using Occupational Employment Statistics (OES) data for locality pay (OES/NCS model). BLS developed the model over the last several years as a supplement to the National Compensation Survey (NCS) based on our request to cover more areas. However, the President's budget canceled the NCS and replaced it with the OES/NCS model. Under the budget plan, BLS reduced the NCS sample by roughly half (the other half is used for the Employment Cost Index), effectively canceling the program. BLS delivered the last full NCS data in 2011. BLS provided only OES/NCS modeled data this year.

The pay gaps (i.e., percentage difference between base GS rates and non-Federal pay for the same levels of work) were calculated using the same general weighting and aggregation methods in use since 1994. The BLS survey data cover establishments of all employment sizes.

OES/NCS Model Survey Results

The OES/NCS model estimates how salaries vary by work level from the occupational average based on the remaining NCS sample. Model estimates are applied to OES occupational average salaries by area to produce estimated non-Federal salaries by occupation and work level for each area. BLS can apply the model in locations where it has OES data whether or not the area was covered by a NCS survey.

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Over the last several years, we reviewed OES/NCS model test data for the locality pay areas. **Attachment 1** shows OES/NCS model pay gap results since 2007 for the existing locality pay areas.

Changes in OES Pay Gaps Over Time

Last year we expressed concerns about sizable increases in the OES/NCS model pay gaps between 2010 and 2011 and recommended the 2011 OES/NCS model results not be used. About 40 percent of the increase in pay gaps was attributable to BLS' reduced NCS sample. The remaining increase was attributable to the Federal pay freeze, the adoption of a new methodology, and other factors. This year, BLS does not have the full NCS sample so the impact of the sample reduction cannot be measured.

While the OES/NCS model produces sizable swings for individual locations in any given year (e.g., Houston increases 12.7 points this year), it was relatively stable on average for tests prior to the 2011 half sample. Since then, even the average gap has fluctuated substantially. As shown in **Attachment 1** and summarized in Table 1 below, the average change in pay gap was 1.05 percentage points from 2007 to 2008, -1.87 points to 2009, and 0.80 points to 2010. The average change jumped to 10.54 points with the 2011 half sample or 6.07 points with the full sample. This year, the average change in pay gaps for current pay areas was 7.54 points, varying from a low of 4.57 points in Hawaii to a high of 12.70 points in Houston.

Table 1
Changes in Pay Gaps Using OES/NCS Model Data (in gap points)

	07 to 08	08 to 09	09 to 10	10 to 11 Half	10 to 11 Full	11 Full to 12 Half	11 Half to 12 Half
Average change	1.05	-1.87	0.80	10.54	6.07	7.54	3.07
Largest increase	5.11	3.75	7.23	14.72	11.04	12.70	6.49
Smallest increase	-1.30	-5.88	-4.42	5.88	2.10	4.57	0.55
Range of change	6.41	9.63	11.65	8.84	8.94	8.13	5.94

The stability of OES/NCS data cannot be compared to the stability of NCS because with NCS, substantial methodology changes were introduced every year since we started using the data and much of the variability in results was likely due to changes in survey methods.

OES/NCS Model Salary Stability

We also examined how the non-Federal salaries changed over time in the OES/NCS model.
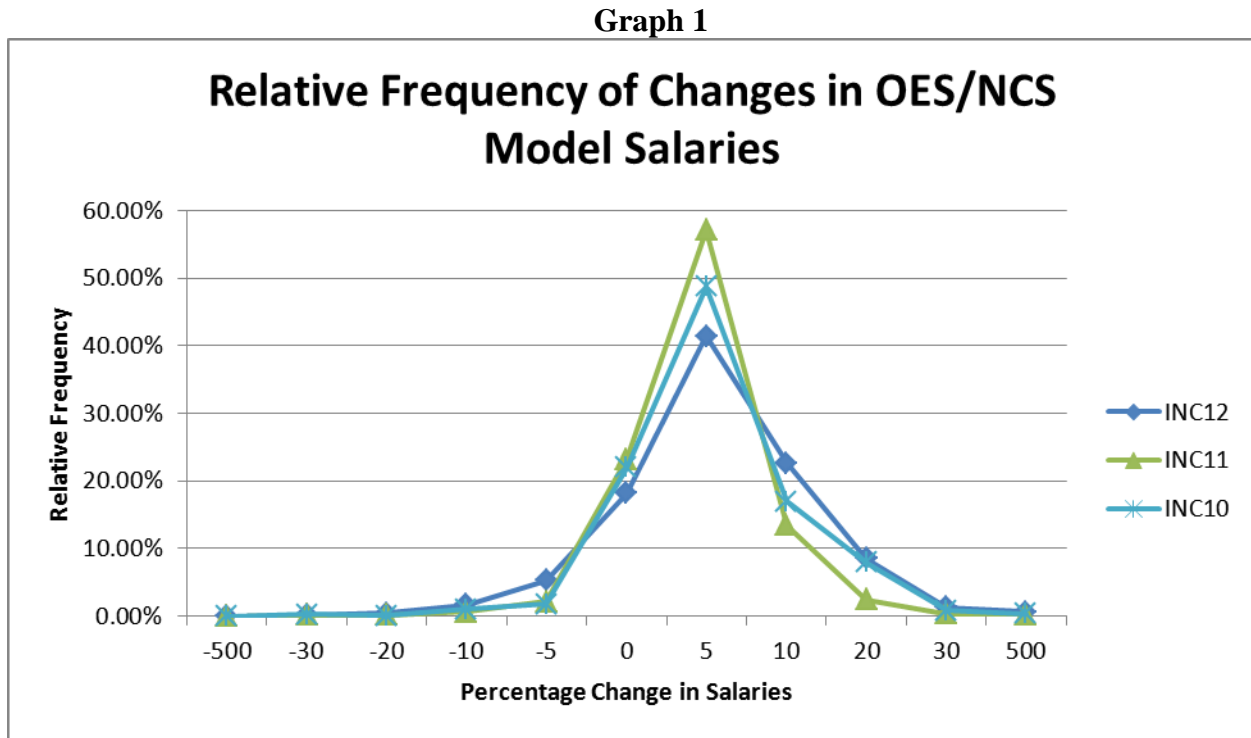
Graph 1

The graph shows the percentage of PATCO/grade average salaries that increased more than 0 but less than 5 percent, between 5 and 10 percent, and so on. Increases are displayed for the 2012 half sample (INC12) and the 2011 and 2010 full samples. As can be seen in the graph, changes in non-Federal salaries as measured by the model are normally distributed with most salaries increasing at an annual rate between 0 and 5 percent (what we would expect). The proportion in the 0 to 5 percent range is lowest with the 2012 half sample. However, each year includes a sizable number of observations indicating that salaries have increased or decreased by substantial amounts (what we wouldn't expect). Many of these outliers are in PATCO/grade combinations with few Federal employees such as GS-8 Professional occupations. These have few GS employees and are given little weight in the pay gap calculations. Others are more important to the measurements.

We experimented with dropping data from the 2012 OES/NCS model calculations where the salary changed by plus/minus 20 percent or more, 15 percent, 10 percent, and 7.5 percent. Because of the low weight assigned to most of the occupational/grade categories with the largest changes in salaries, the experiment had little effect on the pay gaps, dropping the gaps an average of 0.9 points excluding data changing by 20 percent or more, 0.28 points for the 15 percent threshold, 0.98 points for the 10 percent threshold, and 1.31 points for the 7.5 percent threshold.

Federal Salary Council Recommendations on Pay Gaps

Although the results appear to be affected by discontinuing half the NCS sample, we recommend using the OES/NCS model data for locality pay in 2014. However, we also continue to believe the full NCS sample should be restored and ask the Pay Agent to reinstate the full NCS sample. We consider the $9.8 million price tag money well spent in support of 1.5 million GS employees with an annual payroll in excess of $100 billion.

Locality Rates for 2014

Based on Office of Personnel Management (OPM) staff's calculations, in taking a weighted average of the locality pay gaps as of March 2012 using the OES/NCS model, the overall gap between base GS average salaries (excluding any add-ons such as GS special rates and existing locality payments) and non-Federal average salaries surveyed by BLS in locality pay areas was 61.29 percent. The amount needed to reduce the pay disparity to 5 percent (the target gap) averages 53.61 percent. Taking into account existing locality pay rates averaging 19.79 percent (including Alaska and Hawaii), the overall remaining pay disparity is 34.6 percent under the OES/NCS methodology. The proposed comparability payments for 2014 for each existing locality pay area are shown in **Attachment 2**.

These locality rates would be in addition to the increase in General Schedule base rates under 5 U.S.C. 5303(a). This provision calls for increases in basic pay equal to the percentage increase in the Employment Cost Index, wages and salaries, private industry workers, between September 2011 and September 2012, less half a point. The ECI for September 2012 increased 1.8 percent, so the GS ECI-based increase in 2014 would be 1.3 percent.

New Locality Pay Areas

One advantage of the OES/NCS model is that it can be applied in many more locations than could be surveyed under NCS. In its 2011 report, the Pay Agent asked BLS to produce OES/NCS model data for additional areas this year. The new areas represent all the Core-Based Statistical Areas defined by the Office of Management and Budget in the Rest of U.S. (RUS) that have 2,500 or more GS employees. **Attachment 3** shows pay gaps for these additional areas for a number of years compared to that for the RUS locality pay area. As you can see in the attachment, 12 of these areas consistently show pay gaps averaging more than 10 points above that for the RUS area and therefore warrant consideration as separate locality pay areas. The 10 point cutoff is somewhat arbitrary and we note current locality pay areas are about 20 points above RUS, on average, with the notable exception of Indianapolis, which has consistently been only a point or two above the RUS area since 2007.

If additional areas are added, we recommend they be introduced in rank order from highest to lowest pay gap. However, since there are only 12 areas meeting the criteria, we believe they could all be introduced at once in 2014 provided adequate funding for locality pay increases in 2014. **Attachment 4** shows the 2012 pay gap and proposed locality pay rate for each of the new locations. It also includes an adjustment to remove these locations from the Rest of U.S. pay gap. Note that this adjustment would lower the RUS pay gap and locality rate shown in **Attachment 2**.

Requests to be Included in Existing Pay Areas or to Establish New Locality Pay Areas

OPM staff had contacts from employees in 34 locations by email, telephone, or letter since 2011:

Albany, NY	Albuquerque, NM	Allentown, PA
Austin, TX	Beaumont, TX	Berkshire County, MA
Bradford County, PA (oil/gas)	Charleston, SC	Charlottesville, VA
Combine Cincinnati, Columbus, Dayton	Clatsop County, OR	Claremont, VT (White River Junction)
Colorado Springs, CO	Fairmont-Clarksburg, WV (oil/gas)	Franklin County, PA (oil/gas)
Grand Rapids, MI	Hood River, OR	Lassen County, CA
Lincoln County, OR	Los Alamos County, NM	Madison, WI
Minot, ND (oil/gas)	Mono County, CA—Marine Corps Mountain Warfare Center	Morgantown, WV
Polk County, TX	Portland, ME	Ripley County, IN
Rochester, MN	San Luis Obispo, CA	Sayre, PA (oil/gas)
St. Thomas, VI	Starke County, IN	Switzerland County, IN
Virginia Beach, VA		

We also received petitions from employees or groups representing Albany, NY; Berkshire County, MA; Bradford County, PA; Newport, OR (Lincoln County); and White River Junction, VT (Claremont CSA). Employees from several of these locations provided oral testimony at Council meetings. In summary, employees in Albany request it be made a separate locality pay area, employees in Berkshire County request it be included in the Hartford locality pay area, employees in Bradford, PA, seek higher pay due to the oil/gas boom (as do employees in western North Dakota and West Virginia), employees in Newport, OR, (Lincoln County) seek higher locality pay due to high living costs, and employees in White River Junction seek to be included in the Boston locality pay area.

None of these locations meet the current criteria (using 2000 Census commuting data) to be included in an existing locality pay area or could be made separate areas using NCS data.

We proposed changes in how locality pay areas are defined in 2010 and 2011, including using newer commuting pattern data but you did not approve the recommendations. Nevertheless, we continue to believe our recommendations in 2010 and 2011 to drop the GS employment criteria entirely and revise the commuting criteria for defining locality pay areas were well founded and should have been approved. We concluded that commuting is the most relevant criterion and measures the degree of economic linkage among areas. The GS employment criterion has always been problematic and hard to justify because it is not based on an economic linkage among geographic locations. While our prior recommendation would not help all of the areas that contacted OPM, they would have helped some of them.

Accordingly, we resubmit our recommendation to drop GS employment as a criterion and increase the single county commuting criterion to 20 percent (instead of 7.5 percent) for evaluating adjacent counties that are not part of a multi-county MSA or CSA. We recommend increasing the commuting criterion for single counties in consideration of dropping the GS employment criterion and to insure counties are included only when there is substantial commuting to/from the pay area which would seriously affect Federal agency recruitment and retention of employees. We also again recommend that, in applying our proposed criteria, CSAs composed entirely of micropolitan areas be treated the same as other CSAs. **Attachments 5 and 6** list locations impacted by these recommendations.

RUS Locations Surrounded by Separate Locality Pay Areas

We note that a number of relatively small locations in the RUS locality pay area would be essentially surrounded by higher paying locality pay areas if all of our recommendations are approved. Such locations include—

- Los Alamos County, NM, which would be completely surrounded by the new Albuquerque-Santa Fe locality pay area;

- Clallam, Jefferson, and San Juan Counties, WA, which would be bordered by the Seattle locality pay area and the ocean if Grays Harbor is added to the Seattle locality pay area;

- Dukes and Nantucket Counties, MA, offshore from the Boston pay area; and

- Berkshire County, MA, which would be just north of the New York pay area, just west of the Hartford pay area, and just east of the Albany pay area.

We believe that because Federal agencies with employees in RUS counties *completely surrounded* by higher-paying areas would likely experience staffing problems, the Pay Agent should add such locations to an adjacent locality pay area. Where multiple pay areas are involved, a county should be added to the pay area with which it has the highest employment interchange rate.

It is less clear to us that all RUS locations that are *almost but not completely* surrounded by higher-paying areas should be added to adjacent locality pay areas; however, we recognize that Federal agencies in RUS counties that are closely located in multiple directions to higher-paying areas may also experience staffing problems. We believe such locations warrant careful consideration by the Pay Agent on a case-by-case basis.

By direction of the Council:

___SIGNED_____
Stephen E. Condrey, Ph.D.
Chairman

Attachments

Comparison of the OES/NCS Model Gaps 2007-2012 PAY AREAS   **Attachment 1 (page 1)**

Locality Pay Area	2007 Model	2008 Model	2009 Model	2010 Model	2011 Half	2011 Full	2012 Half
ALASKA	53.32%	53.99%	51.26%	53.99%	68.71%	65.03%	73.47%
ATLANTA	43.74%	44.95%	40.96%	43.42%	55.82%	50.04%	56.82%
BOSTON	59.76%	61.14%	58.51%	56.02%	66.17%	61.46%	69.43%
BUFFALO	N/A	39.74%	40.12%	40.23%	49.77%	46.37%	53.19%
CHICAGO	52.80%	57.91%	55.38%	53.68%	62.63%	57.40%	63.48%
CINCINNATI	37.12%	37.98%	34.89%	37.15%	43.03%	39.25%	46.84%
CLEVELAND	38.32%	40.04%	39.62%	38.42%	46.06%	41.93%	46.61%
COLUMBUS, OH	38.63%	38.01%	35.85%	38.19%	45.04%	42.23%	47.92%
DALLAS	46.09%	47.98%	44.52%	46.12%	56.60%	51.57%	60.13%
DAYTON	36.81%	37.26%	35.24%	37.60%	48.36%	43.30%	50.26%
DENVER	59.47%	59.72%	57.64%	58.19%	66.61%	60.68%	69.72%
DETROIT	59.99%	60.56%	54.99%	52.23%	61.97%	57.56%	63.60%
HARTFORD	56.08%	55.06%	53.55%	56.04%	65.51%	61.50%	68.11%
HAWAII	38.35%	38.65%	37.51%	39.19%	50.58%	46.82%	51.39%
HOUSTON	49.75%	53.38%	50.82%	53.12%	66.43%	60.22%	72.92%
HUNTSVILLE	44.53%	44.73%	45.70%	44.72%	55.97%	49.39%	57.88%
INDIANAPOLIS	31.16%	33.26%	30.26%	29.65%	35.67%	32.78%	41.58%
LOS ANGELES	62.27%	63.66%	64.31%	66.33%	78.49%	74.07%	80.28%
MIAMI	43.87%	45.27%	42.16%	40.65%	50.73%	46.56%	52.34%
MILWAUKEE	40.44%	43.07%	39.75%	40.83%	48.54%	44.74%	50.08%
MINNEAPOLIS	46.26%	48.74%	47.14%	47.67%	56.31%	52.31%	58.71%
NEW YORK	65.72%	66.78%	64.12%	65.21%	77.72%	72.64%	81.73%
PHILADELPHIA	52.58%	53.45%	50.93%	52.85%	64.01%	59.51%	68.53%
PHOENIX	36.99%	38.96%	36.94%	39.77%	50.11%	46.54%	53.52%
PITTSBURGH	34.00%	34.09%	31.87%	35.35%	46.81%	42.93%	51.28%
PORTLAND, OR	43.08%	42.46%	42.19%	43.89%	55.80%	50.93%	57.85%
RALEIGH	Not included in earlier tests			35.29%	46.56%	43.01%	50.42%
REST OF U.S.	28.54%	29.54%	28.12%	28.14%	35.54%	32.65%	40.13%
RICHMOND	45.50%	44.94%	39.06%	34.64%	43.98%	40.49%	49.40%
SACRAMENTO	50.91%	49.61%	51.13%	49.76%	64.00%	59.81%	70.00%
SAN DIEGO	56.66%	56.70%	60.45%	67.68%	80.57%	76.77%	81.73%
SAN JOSE	78.12%	80.05%	80.92%	82.41%	96.11%	89.99%	99.50%
SEATTLE	58.31%	58.73%	56.89%	54.80%	66.59%	62.83%	70.65%
WASHINGTON DC	71.14%	73.20%	69.18%	70.40%	85.09%	76.72%	86.76%

Locality Pay Area	07 to 08	08 to 09	09 to 10	10 to 11 Half	10 to 11 Full	11 F 12 Half	11 H 12 Half
ANCHORAGE	0.67%	-2.73%	2.73%	14.72%	11.04%	8.44%	4.76%
ATLANTA	1.21%	-3.99%	2.46%	12.40%	6.62%	6.78%	1.00%
BOSTON	1.38%	-2.63%	-2.49%	10.15%	5.44%	7.97%	3.26%
BUFFALO	N/A	0.38%	0.11%	9.54%	6.14%	6.82%	3.42%
CHICAGO	5.11%	-2.53%	-1.70%	8.95%	3.72%	6.08%	0.85%
CINCINNATI	0.86%	-3.09%	2.26%	5.88%	2.10%	7.59%	3.81%
CLEVELAND	1.72%	-0.42%	-1.20%	7.64%	3.51%	4.68%	0.55%
COLUMBUS, OH	-0.62%	-2.16%	2.34%	6.85%	4.04%	5.69%	2.88%
DALLAS	1.89%	-3.46%	1.60%	10.48%	5.45%	8.56%	3.53%
DAYTON	0.45%	-2.02%	2.36%	10.76%	5.70%	6.96%	1.90%
DENVER	0.25%	-2.08%	0.55%	8.42%	2.49%	9.04%	3.11%
DETROIT	0.57%	-5.57%	-2.76%	9.74%	5.33%	6.04%	1.63%
HARTFORD	-1.02%	-1.51%	2.49%	9.47%	5.46%	6.61%	2.60%
HAWAII	0.30%	-1.14%	1.68%	11.39%	7.63%	4.57%	0.81%
HOUSTON	3.63%	-2.56%	2.30%	13.31%	7.10%	12.70%	6.49%
HUNTSVILLE	0.20%	0.97%	-0.98%	11.25%	4.67%	8.49%	1.91%
INDIANAPOLIS	2.10%	-3.00%	-0.61%	6.02%	3.13%	8.80%	5.91%
LOS ANGELES	1.39%	0.65%	2.02%	12.16%	7.74%	6.21%	1.79%
MIAMI	1.40%	-3.11%	-1.51%	10.08%	5.91%	5.78%	1.61%
MILWAUKEE	2.63%	-3.32%	1.08%	7.71%	3.91%	5.34%	1.54%
MINNEAPOLIS	2.48%	-1.60%	0.53%	8.64%	4.64%	6.40%	2.40%
NEW YORK	1.06%	-2.66%	1.09%	12.51%	7.43%	9.09%	4.01%
PHILADELPHIA	0.87%	-2.52%	1.92%	11.16%	6.66%	9.02%	4.52%
PHOENIX	1.97%	-2.02%	2.83%	10.34%	6.77%	6.98%	3.41%
PITTSBURGH	0.09%	-2.22%	3.48%	11.46%	7.58%	8.35%	4.47%
PORTLAND, OR	-0.62%	-0.27%	1.70%	11.91%	7.04%	6.92%	2.05%
RALEIGH	Not included in earlier tests			11.27%	7.72%	7.41%	3.86%
REST OF U.S.	1.00%	-1.42%	0.02%	7.40%	4.51%	7.48%	4.59%
RICHMOND	-0.56%	-5.88%	-4.42%	9.34%	5.85%	8.91%	5.42%
SACRAMENTO	-1.30%	1.52%	-1.37%	14.24%	10.05%	10.19%	6.00%
SAN DIEGO	0.04%	3.75%	7.23%	12.89%	9.09%	4.96%	1.16%
SAN FRANCISCO	1.93%	0.87%	1.49%	13.70%	7.58%	9.51%	3.39%
SEATTLE	0.42%	-1.84%	-2.09%	11.79%	8.03%	7.82%	4.06%
WASHINGTON, DC	2.06%	-4.02%	1.22%	14.69%	6.32%	10.04%	1.67%
Unweighted average	1.05%	-1.87%	0.80%	10.54%	6.07%	7.54%	3.07%
Minimum	-1.30%	-5.88%	-4.42%	5.88%	2.10%	4.57%	0.55%
Maximum	5.11%	3.75%	7.23%	14.72%	11.04%	12.70%	6.49%
Range	6.41%	9.63%	11.65%	8.84%	8.94%	8.13%	5.94%

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Locality Pay Rates for 2014

AREA	March 2012 GS Base Payroll	OES/NCS model pay gap	Recommended locality rate (target pay gap)
Alaska	$491,487,759	73.47%	65.21%
Atlanta	$1,707,434,372	56.82%	49.35%
Boston	$1,650,219,347	69.43%	61.36%
Buffalo	$306,839,102	53.19%	45.90%
Chicago	$1,358,420,487	63.48%	55.70%
Cincinnati	$448,519,821	46.84%	39.85%
Cleveland	$628,626,852	46.61%	39.63%
Columbus	$560,902,116	47.92%	40.88%
Dallas	$1,260,662,180	60.13%	52.50%
Dayton	$755,322,137	50.26%	43.10%
Denver	$1,250,996,155	69.72%	61.64%
Detroit	$851,727,114	63.60%	55.81%
Hartford	$289,339,458	68.11%	60.10%
Hawaii	$1,004,950,053	51.39%	44.18%
Houston	$877,970,484	72.92%	64.69%
Huntsville	$840,928,645	57.88%	50.36%
Indianapolis	$557,562,531	41.58%	34.84%
Los Angeles	$2,253,619,699	80.28%	71.70%
Miami	$876,101,732	52.34%	45.09%
Milwaukee	$218,987,596	50.08%	42.93%
Minneapolis	$475,459,435	58.71%	51.15%
New York	$3,054,155,702	81.73%	73.08%
Philadelphia	$1,688,669,415	68.53%	60.50%
Phoenix	$555,380,278	53.52%	46.21%
Pittsburgh	$424,874,098	51.28%	44.08%
Portland	$644,172,680	57.85%	50.33%
Raleigh	$951,229,957	50.42%	43.26%
Rest Of US	$34,307,554,189	40.13%	33.46%
Richmond	$607,063,000	49.40%	42.29%
Sacramento	$479,987,290	70.00%	61.90%
San Diego	$1,431,125,236	81.73%	73.08%
San Jose	$1,634,848,857	99.50%	90.00%
Seattle	$1,643,297,379	70.65%	62.52%
Washington, DC	$21,875,105,701	86.76%	77.87%
All Pay Areas	$87,963,540,857	61.29%	53.61%

OES/NCS Model Pay Gaps 2009-2012 Index Sample and Latest Delivery					Area Compared to RUS				
Area	2009	2010	2011	2012	2009	2010	2011	2012	Average
Albany	37.19%	41.30%	48.38%	55.34%	11.10%	13.07%	12.84%	15.21%	13.06%
Albuquerque	36.40%	43.70%	54.17%	45.88%	10.31%	15.47%	18.63%	5.75%	12.54%
Augusta	22.55%	21.53%	28.83%	27.59%	-3.54%	-6.70%	-6.71%	-12.54%	-7.37%
Austin	33.92%	40.91%	48.20%	51.17%	7.83%	12.68%	12.66%	11.04%	11.05%
Birmingham	33.41%	37.38%	41.08%	46.18%	7.32%	9.15%	5.54%	6.05%	7.02%
Boise	33.89%	25.43%	31.32%	34.37%	7.80%	-2.80%	-4.22%	-5.76%	-1.25%
Charleston	20.51%	24.77%	35.46%	35.59%	-5.58%	-3.46%	-0.08%	-4.54%	-3.42%
Charlotte	35.50%	39.99%	48.31%	47.85%	9.41%	11.76%	12.77%	7.72%	10.42%
Clarksville	15.14%	15.94%	21.09%	23.56%	-10.95%	-12.29%	-14.45%	-16.57%	-13.57%
Colorado Springs	38.54%	38.27%	49.49%	52.99%	12.45%	10.04%	13.95%	12.86%	12.33%
Columbia	24.22%	20.15%	26.15%	30.71%	-1.87%	-8.08%	-9.39%	-9.42%	-7.19%
Columbus, GA	18.46%	18.90%	23.45%	25.19%	-7.63%	-9.33%	-12.09%	-14.94%	-11.00%
Corpus Christi	24.86%	25.56%	37.21%	46.60%	-1.23%	-2.67%	1.67%	6.47%	1.06%
Crestview	28.52%	34.42%	40.45%	44.03%	2.43%	6.19%	4.91%	3.90%	4.36%
Davenport	39.22%	44.71%	50.10%	46.44%	13.13%	16.48%	14.56%	6.31%	12.62%
El Paso	27.93%	27.87%	36.05%	35.61%	1.84%	-0.36%	0.51%	-4.52%	-0.63%
Fresno	31.95%	30.52%	38.23%	40.78%	5.86%	2.29%	2.69%	0.65%	2.87%
Gulfport	23.91%	24.22%	21.00%	23.54%	-2.18%	-4.01%	-14.54%	-16.59%	-9.33%
Harrisburg	36.32%	40.77%	48.77%	52.18%	10.23%	12.54%	13.23%	12.05%	12.01%
Jackson	16.83%	17.22%	20.66%	25.18%	-9.26%	-11.01%	-14.88%	-14.95%	-12.53%
Jacksonville, FL	31.36%	30.70%	37.76%	40.95%	5.27%	2.47%	2.22%	0.82%	2.70%
Jacksonville, NC	13.07%	13.01%	25.40%	31.29%	-13.02%	-15.22%	-10.14%	-8.84%	-11.81%
Kansas City	36.31%	38.01%	44.91%	50.03%	10.22%	9.78%	9.37%	9.90%	9.82%
Killeen-Temple	13.93%	16.56%	22.47%	33.02%	-12.16%	-11.67%	-13.07%	-7.11%	-11.00%
Laredo	43.25%	44.19%	58.18%	64.25%	17.16%	15.96%	22.64%	24.12%	19.97%
Las Cruces	16.55%	31.73%	36.35%	40.14%	-9.54%	3.50%	0.81%	0.01%	-1.31%
Las Vegas	47.46%	50.04%	56.86%	60.41%	21.37%	21.81%	21.32%	20.28%	21.20%
Lawton	4.61%	6.46%	10.20%	19.34%	-21.48%	-21.77%	-25.34%	-20.79%	-22.35%
Lexington	17.83%	18.63%	22.37%	25.70%	-8.26%	-9.60%	-13.17%	-14.43%	-11.37%
Little Rock	18.12%	16.55%	23.22%	25.95%	-7.97%	-11.68%	-12.32%	-14.18%	-11.54%
Louisville	22.36%	24.65%	32.94%	35.41%	-3.73%	-3.58%	-2.60%	-4.72%	-3.66%
Macon	27.88%	27.79%	34.25%	41.34%	1.79%	-0.44%	-1.29%	1.21%	0.32%
Madison	32.39%	35.25%	39.81%	40.99%	6.30%	7.02%	4.27%	0.86%	4.61%
Manhattan	14.00%	11.16%	24.68%	26.33%	-12.09%	-17.07%	-10.86%	-13.80%	-13.46%
Memphis	29.52%	27.88%	36.67%	39.81%	3.43%	-0.35%	1.13%	-0.32%	0.97%
Montgomery	24.15%	27.47%	34.08%	36.70%	-1.94%	-0.76%	-1.46%	-3.43%	-1.90%
Nashville	27.00%	28.20%	31.85%	38.24%	0.91%	-0.03%	-3.69%	-1.89%	-1.18%
New Orleans	28.01%	29.32%	37.20%	44.96%	1.92%	1.09%	1.66%	4.83%	2.38%
Oklahoma City	22.36%	24.76%	36.22%	37.49%	-3.73%	-3.47%	0.68%	-2.64%	-2.29%
Omaha	27.24%	30.76%	41.72%	48.88%	1.15%	2.53%	6.18%	8.75%	4.65%
Orlando	29.77%	29.64%	33.28%	36.76%	3.68%	1.41%	-2.26%	-3.37%	-0.14%
Palm Bay	37.26%	42.87%	48.28%	48.75%	11.17%	14.64%	12.74%	8.62%	11.79%
Pensacola	15.72%	15.28%	21.50%	26.00%	-10.37%	-12.95%	-14.04%	-14.13%	-12.87%
Portland, ME	32.50%	35.01%	36.80%	40.53%	6.41%	6.78%	1.26%	0.40%	3.71%
Salt Lake City	29.06%	31.22%	39.08%	42.86%	2.97%	2.99%	3.54%	2.73%	3.06%
San Antonio	24.12%	29.94%	44.12%	48.73%	-1.97%	1.71%	8.58%	8.60%	4.23%
Savannah	25.74%	28.68%	35.80%	44.29%	-0.35%	0.45%	0.26%	4.16%	1.13%
St. Louis	36.32%	38.54%	48.18%	52.34%	10.23%	10.31%	12.64%	12.21%	11.35%
Tampa	33.89%	36.70%	41.67%	42.96%	7.80%	8.47%	6.13%	2.83%	6.31%
Tucson	40.07%	37.96%	50.16%	50.52%	13.98%	9.73%	14.62%	10.39%	12.18%
Virginia Beach	33.35%	33.08%	41.53%	47.23%	7.26%	4.85%	5.99%	7.10%	6.30%
Yuma	24.32%	24.17%	37.27%	38.73%	-1.77%	-4.06%	1.73%	-1.40%	-1.38%
Rest of U.S.	26.09%	28.23%	35.54%	40.13%	0.00%	0.00%	0.00%	0.00%	0.00%

Note some pay gaps may vary from earlier deliveries due to sample revisions.

New Locality Pay Areas

Area	March 2012 GS Base Payroll	Pay Gap	Recommended locality rate (target pay gap)
Albany	$166,730,596	55.34%	47.94%
Albuquerque	$510,495,966	45.88%	38.93%
Austin	$366,557,509	51.17%	43.97%
Charlotte	$168,635,266	47.85%	40.81%
Colorado Springs	$561,339,429	52.99%	45.70%
Davenport	$266,360,779	46.44%	39.47%
Harrisburg	$413,576,464	52.18%	44.93%
Laredo	$169,685,744	64.25%	56.43%
Las Vegas	$275,731,172	60.41%	52.77%
Palm Bay	$309,775,047	48.75%	41.67%
St. Louis	$783,335,734	52.34%	45.09%
Tucson	$491,018,021	50.52%	43.35%
Subtotal	$4,483,241,727	51.67%	
Rest of U.S.	$34,307,554,189	40.13%	33.46%
Adjusted RUS	$29,824,312,462	38.40%	31.81%

Multi-County Metropolitan Areas Added to <u>Existing</u> Pay Areas under Proposed Criteria

LOCALITY PAY AREA	ADJACENT METROPOLITAN AREA	2000 COMMUTE RATE	2006-2008 COMMUTE RATE
Atlanta	Athens-Clarke County, GA Metropolitan Statistical Area	15.31	17.59
Atlanta	Columbus-Auburn-Opelika, GA-AL Combined Statistical Area	6.02	7.63
Boston	Claremont-Lebanon, NH-VT Combined Statistical Area	8.90	9.88
Boston	Portland-Lewiston-South Portland, ME Combined Statistical Area	7.40	8.31
Chicago	Ottawa-Streator, IL Micropolitan Statistical Area	17.39	19.70
Chicago	Rockford-Freeport-Rochelle, IL Combined Statistical Area	9.16	11.98
Cincinnati	Maysville, KY Micropolitan Statistical Area	21.55	
Cleveland	Canton-Massillon, OH Metropolitan Statistical Area	20.21	23.86
Columbus	Mansfield-Bucyrus, OH Combined Statistical Area	10.68	13.99
Detroit	Lansing-East Lansing-Owosso, MI Combined Statistical Area	9.90	10.42
Detroit	Saginaw-Bay City-Saginaw Township North, MI Combined Statistical Area	8.59	9.84
Detroit	Toledo-Fremont, OH Combined Statistical Area	7.09	7.62
Huntsville	Florence-Muscle Shoals, AL Metropolitan Statistical Area	10.33	11.16
Indianapolis	Bloomington, IN Metropolitan Statistical Area	10.91	11.38
Indianapolis	Kokomo-Peru, IN Combined Statistical Area	11.99	11.74
Indianapolis	Lafayette-Frankfort, IN Combined Statistical Area	6.98	9.82

LOCALITY PAY AREA	ADJACENT METROPOLITAN AREA	2000 COMMUTE RATE	2006-2008 COMMUTE RATE
Miami	Port St. Lucie-Sebastian-Vero Beach, FL Combined Statistical Area	11.60	14.52
Milwaukee	Fond du Lac-Beaver Dam, WI Combined Statistical Area	15.00	18.43
Minneapolis	Rochester, MN Metropolitan Statistical Area	7.40	7.69
Philadelphia	Allentown-Bethlehem-Easton, PA-NJ Metropolitan Statistical Area	10.20	11.11
Pittsburgh	Steubenville-Weirton, WV-OH Metropolitan Statistical Area	12.52	15.16
Raleigh	Rocky Mount, NC Metropolitan Statistical Area	9.32	10.31
Washington	Cumberland, MD-WV Metropolitan Statistical Area	6.94	7.99
Total			

AREA	ADJACENT MET	2000 COMMUTE	2006-2008 COMMUTE
Albuquerque	Santa Fe-Espanola, NM Combined Statistical Area	11.68%	13.73%
Charlotte	Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area	10.98%	14.68%

Single Counties Added to <u>Existing</u> Locality Pay Areas under Proposed Criteria

LOCALITY PAY AREA	COUNTY CODE	COUNTY NAME	COMMUTE 2000 CENSUS	COMMUTE 2006-2008
Atlanta	13011	Banks Co. GA	38.24	
Atlanta	01029	Cleburne Co. AL	37.02	
Atlanta	13115	Floyd Co. GA	20.85	26.33
Atlanta	13123	Gilmer Co. GA	29.49	28.28
Atlanta	13129	Gordon Co. GA	18.48	23.37
Atlanta	13137	Habersham Co. GA	21.11	23.25
Atlanta	13157	Jackson Co. GA	53.24	58.62
Atlanta	13187	Lumpkin Co. GA	62.18	69.92
Atlanta	13211	Morgan Co. GA	54.18	
Atlanta	01111	Randolph Co. AL	40.04	28.52
Atlanta	13263	Talbot Co. GA	45.96	
Atlanta	13311	White Co. GA	39.33	43.07
Boston	33003	Carroll Co. NH	25.59	26.36
Buffalo	36121	Wyoming Co. NY	39.01	41.58
Chicago	17075	Iroquois Co. IL	32.38	34.71
Chicago	18149	Starke Co. IN	27.25	34.55
Cincinnati	39001	Adams Co. OH	30.12	30.36
Cincinnati	39071	Highland Co. OH	40.07	40.47
Cincinnati	21187	Owen Co. KY	31.27	
Cincinnati	18137	Ripley Co. IN	53.72	55.37
Cincinnati	18155	Switzerland Co. IN	46.97	
Cincinnati	18161	Union Co. IN	31.30	
Cleveland	39043	Erie Co. OH	18.77	24.32
Cleveland	39169	Wayne Co. OH	24.43	25.11

LOCALITY PAY AREA	COUNTY CODE	COUNTY NAME	COMMUTE 2000 CENSUS	COMMUTE 2006-2008
Columbus	39073	Hocking Co. OH	48.27	61.74
Columbus	39091	Logan Co. OH	24.02	22.21
Columbus	39119	Muskingum Co. OH	17.91	20.22
Columbus	39127	Perry Co. OH	50.91	61.45
Columbus	39131	Pike Co. OH	32.26	32.82
Columbus	39163	Vinton Co. OH	30.21	
Dallas	40013	Bryan Co. OK	27.74	22.73
Dallas	48217	Hill Co. TX	29.16	30.15
Dallas	48223	Hopkins Co. TX	19.52	22.48
Dallas	48237	Jack Co. TX	34.86	
Dallas	48337	Montague Co. TX	34.23	
Dallas	48349	Navarro Co. TX	27.17	31.38
Dallas	48379	Rains Co. TX	53.91	
Dallas	48467	Van Zandt Co. TX	46.36	49.02
Dayton	39149	Shelby Co. OH	28.52	31.61
Detroit	26151	Sanilac Co. MI	39.09	39.06
Detroit	26157	Tuscola Co. MI	24.74	24.99
Houston	48089	Colorado Co. TX	23.21	25.84
Houston	48185	Grimes Co. TX	31.74	36.55
Houston	48313	Madison Co. TX	25.78	
Houston	48373	Polk Co. TX	27.94	32.44
Houston	48455	Trinity Co. TX	39.81	
Houston	48477	Washington Co. TX	19.70	22.23
Houston	48481	Wharton Co. TX	29.22	33.15
Huntsville	47103	Lincoln Co. TN	27.25	31.48
Huntsville	01095	Marshall Co. AL	17.48	20.50

LOCALITY PAY AREA	COUNTY CODE	COUNTY NAME	COMMUTE 2000 CENSUS	COMMUTE 2006-2008
Indianapolis	18031	Decatur Co. IN	22.94	30.33
Indianapolis	18035	Delaware Co. IN	18.51	20.59
Indianapolis	18045	Fountain Co. IN	21.25	
Indianapolis	18071	Jackson Co. IN	30.11	33.64
Indianapolis	18139	Rush Co. IN	53.48	
Milwaukee	55055	Jefferson Co. WI	23.76	26.61
Milwaukee	55127	Walworth Co. WI	25.78	25.66
Minneapolis	27065	Kanabec Co. MN	37.43	
Minneapolis	27079	Le Sueur Co. MN	38.29	51.31
Minneapolis	27093	Meeker Co. MN	54.95	63.14
Minneapolis	27095	Mille Lacs Co. MN	58.34	65.15
Minneapolis	27097	Morrison Co. MN	29.66	31.82
Minneapolis	27115	Pine Co. MN	32.00	32.49
Minneapolis	55095	Polk Co. WI	39.27	43.77
Minneapolis	27143	Sibley Co. MN	39.67	
Minneapolis	27147	Steele Co. MN	15.53	20.70
Minneapolis	27153	Todd Co. MN	16.02	21.60
New York	36105	Sullivan Co. NY	40.68	37.22
Pittsburgh	42059	Greene Co. PA	43.62	45.20
Pittsburgh	42063	Indiana Co. PA	24.45	23.19
Portland	53015	Cowlitz Co. WA	22.17	31.27
Raleigh	37033	Caswell Co. NC	16.85	22.97
Raleigh	37077	Granville Co. NC	62.09	65.58
Raleigh	37105	Lee Co. NC	47.77	49.20

LOCALITY PAY AREA	COUNTY CODE	COUNTY NAME	COMMUTE 2000 CENSUS	COMMUTE 2006-2008
Raleigh	37181	Vance Co. NC	22.08	27.21
Richmond	51029	Buckingham Co. VA	22.24	
Richmond	51057	Essex Co. VA	34.64	
Richmond	51081	Greensville Co. VA	22.75	
Richmond	51119	Middlesex Co. VA	21.87	
Richmond	51135	Nottoway Co. VA	36.25	
Richmond	51147	Prince Edward Co. VA	22.26	10.08
Sacramento	06003	Alpine Co. CA	55.64	
Sacramento	06005	Amador Co. CA	22.02	25.15
Sacramento	06011	Colusa Co. CA	25.39	30.47
Sacramento	06091	Sierra Co. CA	22.41	
San Jose	06033	Lake Co. CA	17.89	20.44
Seattle	53027	Grays Harbor Co. WA	16.06	20.06
Seattle	53041	Lewis Co. WA	26.54	29.03
Washington	24011	Caroline Co. MD	20.76	27.16
Washington	54031	Hardy Co. WV	21.05	
Washington	24029	Kent Co. MD	31.19	27.91
Washington	51113	Madison Co. VA	35.37	
Washington	51137	Orange Co. VA	40.00	60.65
Washington	51139	Page Co. VA	14.81	21.70
Washington	51157	Rappahannock Co. VA	103.14	
Washington	51171	Shenandoah Co. VA	33.68	38.39
Washington	24041	Talbot Co. MD	18.65	20.03

PAY AREA	NAME	2000 Commuting	2006-2008 COMMUTE
Albany	Greene Co. NY	45.51%	46.91%
Albany	Hamilton Co. NY	26.33%	
Charlotte	Chesterfield Co. SC	23.48%	29.47%
Harrisburg	Juniata Co. PA	28.29%	28.86%