

Report of the Federal Salary Council Working Group

November 14, 2023

Executive Summary

The Federal Salary Council Working Group met on September 27, 2023, to discuss issues regarding locality pay for 2025. This Council Working Group report is based on discussions in that meeting and presents recommendations for the full Council to consider. Those recommendations are summarized below and discussed in more detail in subsequent sections of this report.

These Working Group recommendations would result in roughly 14,797 General Schedule (GS) employees being redesignated to higher-paying locality pay areas.¹ Note that we are not recommending changes to the criteria for defining locality pay areas that the President's Pay Agent approved in its [December 2022 annual report](#), nor are we recommending making any exceptions to defining locality pay area boundaries based on those criteria. The changes in locality pay area boundaries we recommend in this report would result from applying standard criteria after making two updates to the underlying data by which the Pay Agent defines locality pay areas:

1. Applying the updates to the delineations of the metropolitan statistical areas and combined statistical areas (MSAs and CSAs) reflected in Office of Management and Budget (OMB) Bulletin No. 23-01 as such updates were applied with adoption of OMB Bulletin No. 20-01; and
2. In assessing locations for possible inclusion in locality pay areas as areas of application, using the updated county-to-county worker flow data that Census collected between 2016 and 2020 as part of the American Community Survey; those data were used in the delineation of the MSAs and CSAs in OMB Bulletin No. 23-01.

Note: These recommendations are not final Council recommendations. The full Council will decide what recommendations to make to the President's Pay Agent after considering the information in this report and any new information provided in the November 14, 2023, public meeting of the Council.

Summary of Working Group Recommendations

1. Should the Council recommend the locality pay rates for 2025 for current locality pay areas, using the NCS/OEWS Model results shown in Attachment 1?²

The Working Group recommends doing so.

¹ Most would move from the Rest of US locality pay area, but a very small number (about 41) would move from a locality pay area other than the Rest of US to higher-paying locality pay areas.

² As explained in Attachment 2, the BLS salary survey methodology used in the locality pay program combines National Compensation Survey (NCS) data and Occupational Employment and Wage Statistics (OEWS) data in a measurement process called the NCS/OEWS Model.

2. Should any of the Rest of US research areas listed in Attachment 3 be established as new locality pay areas?

The Working Group recommends *not* doing so at this time. Only the Dothan, AL, research area meets the pay disparity criterion, and the 47.84 percentage point change in the pay disparity for Dothan between 2022 and 2023 is an anomaly, as further explained below.

3. Should any new locations listed in Attachment 4 be established as new Rest of US research areas, and—

- a. Should any of them be established as new locality pay areas?
- b. Should NCS/OEWS salary estimates be requested from the Bureau of Labor Statistics (BLS) for additional areas with fewer than 2,500 GS employees?

The Working Group recommends—

- *Not* establishing the locations listed in Attachment 4 as Rest of US research areas, since BLS has not been able to produce estimates for these areas yet covering 3 years of data;
- Continuing to work with BLS to get a full 3 years of data for the areas in Attachment 4 as soon as possible so they can be evaluated using the same pay disparity criterion as for all other Rest of US research areas; and
- Continuing to work with BLS to determine whether 3 full years of NCS/OEWS salary estimates can be provided in 2024 for additional locations with fewer than 2,500 GS employees.

4. Should the Council recommend that—

- a. In defining locality pay areas geographically the Pay Agent apply the updates to the delineations of the metropolitan statistical areas and combined statistical areas reflected in Office of Management and Budget (OMB) Bulletin No. 23-01 as such updates were applied with adoption of OMB Bulletin 20-01, and
- b. Updated commuting patterns data be used in the locality pay program—i.e., commuting patterns data collected by the U.S. Census Bureau between 2016 and 2020 as part of the American Community Survey?

The Working Group recommends doing so.

5. Should the Council recommend adding Wyandot County, OH, to the Columbus, OH, locality pay area and Yuma County, AZ, to the Phoenix, AZ, locality pay area? Making the other changes we recommend in locality pay area boundaries without a locality pay area redesignation for these locations would leave Wyandot County completely

surrounded by higher locality pay, and Yuma County would also be entirely surrounded by higher locality pay but for its southern border with Mexico.

The Working Group recommends doing so.

6. Should any exceptions be made to the policy of defining locality pay areas based on standard criteria?

The Working Group recommends *not* doing so.

7. Should the Council go on record in support of increased funding of January pay adjustments for the base General Schedule and locality pay increases?

The Working Group recommends doing so.

8. Should the Council ask BLS to collect data for a sample of NCS/OEWS observations to show the prevailing policy on salary ranges and waiting periods for progression through those ranges?

The Working Group recommends doing so.

9. Should the Council go on record to point out the increasingly significant impact on locality pay rates being limited to the EX-IV rate?

The Working Group recommends doing so.

List of Attachments

Attachment 1: FEPCA Locality Rates for 2025

Attachment 2: Explanation of NCS/OEWS Model and Pay Disparity Calculations

Attachment 3: Pay Disparities 2021-2023 in 43 BLS Research Areas

Attachment 4: Locations under Consideration as Rest of US Research Areas

Attachment 5: Locations Added to Pay Areas under Working Group Recommendations

Attachment 6: CT Planning Region Locations to be Retained in Current Pay Area

Attachment 7: Locations that have Contacted OPM Staff Since 10/28/22 Council Meeting

Attachment 8: History of GS Pay Adjustments Under FEPCA, 1994-2023

Background and Rationale for Working Group Recommendations

Issue 1: Should the Council recommend the locality pay rates for 2025 for current locality pay areas, using the NCS/OEWS Model results shown in Attachment 1?

The Working Group reviewed comparisons of GS and non-Federal pay based on data from two BLS surveys, the National Compensation Survey (NCS) and the Occupational Employment and Wage Statistics (OEWS) program. BLS uses NCS data to assess the impact of level of work on occupational earnings, and applies factors derived from the NCS sample to occupational average salaries from OEWS to estimate occupational earnings by level of work in each locality pay area. We call this measurement process the *NCS/OEWS Model*, and a detailed description of that Model is provided in Attachment 2.

The pay disparities (i.e., percentage differences between base GS rates and non-Federal pay for the same levels of work) were calculated using the same general weighting and aggregation methods used since 1994 and described in annual reports of the President's Pay Agent. The BLS survey data cover establishments of all employment sizes.

In taking a weighted average of the locality pay gaps as of March 2023 using the NCS/OEWS Model, OPM staff calculates that the overall disparity between (1) base GS average salaries excluding any add-ons such as GS special rates and existing locality payments and (2) non-Federal average salaries surveyed by BLS in locality pay areas was 59.40 percent. Thus, the amount needed to reduce the pay disparity to 5 percent (the target gap) averages 51.81 percent. Considering existing locality pay rates averaging 24.98 percent, the overall remaining pay disparity is 27.54 percent. The proposed comparability payments for 2025 for each locality pay area are shown in Attachment 1.

These locality rates would be in addition to the increase in GS 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 (ECI), wages and salaries, private industry workers, between September 2022 and September 2023, less half a percentage point. The ECI increased 4.5 percent in September 2023, so the base GS increase in 2025 would be 4.0 percent.

Note: The pay disparity for the Corpus Christi, TX, locality pay area remains below the pay disparity for the Rest of US locality pay area as it was last year. When a pay disparity for a separate locality pay area falls below that for the Rest of US, the Rest of US target pay gap is recommended for that locality pay area, and the Council continues to monitor the pay disparity for the locality pay area.

Also note that, while as of March 2022 the pay disparity for the Palm Bay, FL, locality pay area was below the Rest of US pay disparity, Palm Bay's pay disparity increased by

10.15 percentage points between March 2022 and March 2023, putting it above the Rest of US pay disparity.

- **Council Decision Point 1:** Should the Council recommend the locality pay rates for 2025 for current locality pay areas, using the NCS/OEWS Model results shown in Attachment 1?

The Working Group recommends doing so. Council recommendation?

Issue 2: Should any of the Rest of US research areas listed in Attachment 3 be established as new locality pay areas?

The Working Group recommends not doing so at this time. Only the Dothan, AL, research area meets the pay disparity criterion, and the 47.84 percentage point change in the pay disparity for Dothan between 2022 and 2023 is an anomaly resulting from the GS-13, PATCO T salary estimate for Dothan increasing from \$160,514 in 2022 to \$468,517 in 2023.³ We understand from BLS staff that there is a very large wage rate for one of the occupations used in the GS-13, PATCO T salary estimate. BLS staff has advised us that they believe the data are correct. However, they note that, from a statistical point of view, the March 2023 data may not be particularly representative of non-Federal equivalents to GS-13 level workers in Dothan. They add that BLS suggests the Federal Salary Council exercise care in interpreting the estimate.

In addition to that salary estimate being nearly three times higher than the corresponding 2022 salary estimate, it is considerably higher than *any other* 2023 NCS/OEWS salary estimate. It is 23.20 percent higher than the second-highest 2023 salary estimate BLS delivered, which is for the GS-15, PATCO A cell for the San Jose-San Francisco locality pay area and is \$380,284.

The Working Group believes the Council should work with BLS in 2024 to identify options for addressing anomalous non-Federal salary estimates.

- **Council Decision Point 2:** Should any of the Rest of US research areas listed in Attachment 3 be established as new locality pay areas?

The Working Group recommends *not* doing so. Further, we recommend the Council work with BLS in 2024 to identify options for addressing anomalous non-Federal salary estimates.

Council recommendation?

³ There are five broad occupational groups by which BLS aggregates NCS/OEWS data. Those groups are collectively referred to as “PATCO” categories: Professional (P), Administrative (A), Technical (T), Clerical (C), and Officer (O).

Issue 3: Should the locations listed in Attachment 4 be established as new Rest of US research areas, and—

- Should any of them be established as new locality pay areas?
- Should NCS/OEWS salary estimates be requested from the BLS for additional areas with fewer than 2,500 GS employees?

As part of its ongoing efforts to study pay in more locations with fewer than 2,500 GS employees using the NCS/OEWS Model, in early 2023 the Council requested that BLS deliver NCS/OEWS salary estimates for the 11 core-based statistical areas listed in Attachment 4.

The Council requested that BLS deliver salary estimates for these areas covering the period March 2021 to March 2023 because data for Rest of US research areas over a 3-year period are needed to recommend a research area be established as a new locality pay area. BLS has not yet been able to send March 2021 and March 2022 salary estimates for these 11 areas.

Council Decision Point 3: Should the locations listed in Attachment 4 be established as new Rest of US research areas, and—

- Should any of them be established as new locality pay areas?
- Should NCS/OEWS salary estimates be requested from the BLS for additional areas with fewer than 2,500 GS employees?

The Working Group recommends that—

- These areas should continue to be considered as potential Rest of US research areas, and the Council should evaluate 3 consecutive years of pay disparity data for these areas as soon as possible;
- None of them should be recommended for establishment as new locality pay areas at this time; and
- The Council should continue its work to study pay in as many additional locations as resources allow.

Council recommendation?

Issue 4: Should the Council recommend that—

- a. In defining locality pay areas geographically, the Pay Agent apply the updates to the delineations of the metropolitan statistical areas and combined statistical areas reflected in Office of Management and Budget (OMB) Bulletin No. 23-01 as such updates were applied with adoption of OMB Bulletin 20-01, and

- b. Updated [commuting patterns data](#) be used in the locality pay program—i.e., commuting patterns data collected by the U.S. Census Bureau between 2016 and 2020 as part of the American Community Survey?

After considering this issue carefully, the Working Group recommends use of the updated MSAs and CSAs as such updates were applied when the Pay Agent adopted the MSAs and CSAs delineated in OMB Bulletin No. 20-01. As with adoption of those earlier definitions of MSAs and CSAs, any location that would move to a lower-paying locality pay area as a result of applying the updates in OMB Bulletin No. 23-01 would remain in its current locality pay area as an area of application.

For evaluating locations adjacent to basic locality pay areas as areas of application, the Working Group recommends using the commuting patterns data collected by the U.S. Census Bureau between 2016 and 2020 as part of the American Community Survey. This would be consistent with the use of the updated MSAs and CSAs in OMB Bulletin 23-01, since the same commuting patterns data were used to define those MSAs and CSAs.

A list of locations that would be added under this recommendation is provided in Attachment 5.

Note: Some observers over the years have suggested splitting an MSA or CSA between locality pay areas or studying pay in only a portion of an MSA or CSA in the Rest of US. The Pay Agent has not previously supported the idea of splitting a MSA or CSA comprising a basic locality pay area between two separate locality pay areas and has indicated doing so would be a significant change requiring careful study. For example, in 80 FR 65607 (a final rule defining pay areas) the Pay Agent wrote the following:

“Departing from the practice of defining basic locality pay areas based on OMB-defined metropolitan areas or splitting those metropolitan areas into separate locality pay areas would be a significant change, and the implications would have to be carefully considered. Individuals interested in recommending alternatives to defining basic locality pay areas based on entire OMB-defined metropolitan areas may provide testimony to the Federal Salary Council.”

In light of those Pay Agent views, the Council should consider any future stakeholder input on this issue. However, the Council believes interested stakeholders should keep in mind that so far in its history, the locality pay program uses standard criteria applied consistently for all locations throughout the country.

Note on Connecticut Planning Regions

Regarding the eight Connecticut counties listed in the locality pay area definitions on OPM’s website: As explained in detail in the [Federal Register](#), those eight Connecticut counties ceased to function as governmental and administrative entities in 1960, and at the request of the Connecticut Office of Policy and Management, the Census Bureau is

now using new geographic constructs called *Connecticut planning regions* in place of the eight counties. The CBSAs in OMB Bulletin No. 23-01 use those planning regions.

Locations within the eight legacy counties are now in nine planning regions as shown in Attachment 6. Currently, the duty stations in the planning regions are in three locality pay areas—

- Boston, which has a 2023 locality pay percentage of 31.05 percent;
- Hartford, which has a 2023 locality pay percentage of 30.91 percent; and
- New York, which has a 2023 locality pay percentage of 36.16 percent.

Use without exception of the CBSAs in OMB Bulletin No. 23-01 would result in certain Connecticut locations in those three locality pay areas moving from one to another of them. In all cases, such use without exception would result in impacted employees being redesignated to a *lower-paying* locality pay area—in most cases, from New York to Hartford, and in some cases, from Boston to Hartford. However, implementing a Council recommendation to apply CBSA updates as with the adoption of OMB Bulletin 20-01 would include retaining such locations in their current locality pay area.

- **Council Decision Point 4: Should the Council recommend that—**
 - In defining locality pay areas geographically, the Pay Agent apply the updates to the delineations of the metropolitan statistical areas and combined statistical areas reflected in Office of Management and Budget (OMB) Bulletin No. 23-01 as such updates were applied with adoption of OMB Bulletin 20-01, and
 - Updated commuting patterns data be used in the locality pay program—i.e., commuting patterns data collected by the U.S. Census Bureau between 2016 and 2020 as part of the American Community Survey?

The Working Group recommends doing so. Council recommendation?

Issue 5: Should the Council recommend adding Wyandot County, OH, to the Columbus, OH, locality pay area and Yuma County, AZ, to the Phoenix, AZ, locality pay area? Making the other changes we recommend in locality pay area boundaries without a locality pay area redesignation for these locations would leave Wyandot County completely surrounded by higher locality pay, and Yuma County would also be entirely surrounded by higher locality pay but for its southern border with Mexico.

The past practice for single-county Rest of US locations that would otherwise be completely surrounded by higher locality pay has been to redesignate them to the locality pay area with which they have the greatest degree of employment interchange. To follow that practice, the Council should recommend adding Wyandot County, OH, to the Columbus, OH, locality pay area and Yuma County, AZ, to the Phoenix, AZ, locality

pay area if our other recommendations above regarding locality pay area boundaries are to be made.

- Council Decision Point 5: Should the Council recommend that the Pay Agent add Wyandot County, OH, to the Columbus, OH, locality pay area and Yuma County, AZ, to the Phoenix, AZ, locality pay area?

The Working Group recommends doing so. Council recommendation?

Issue 6: Should any exceptions be made to the policy of defining locality pay areas based on standard criteria?

The Working Group recommends continuing to apply the same criteria for all locations throughout the country. However, the Working Group anticipates that the Council will continue to benefit from stakeholder input regarding criteria used to define and establish locality pay areas. Such input can be helpful to the Council as it considers what criteria are best to apply consistently for all locations throughout the country.

The Council and OPM staff receive numerous requests each year to consider establishing or changing locality pay area definitions for locations that do not meet established criteria for doing so. For example, Attachment 7 lists locations, most in the Rest of US locality pay area, from which groups or individuals have contacted the Council or OPM staff during the deliberative cycle these recommendations cover to express concerns about pay levels or the geographic boundaries of locality pay areas.

Some of those locations would benefit from our proposed Council recommendations. The Working Group appreciates the input from the other locations and proposes the Council recommend that OPM continue to encourage agencies to use other pay flexibilities such as recruitment, retention, and relocation incentives, and special salary rates to help address significant recruitment and retention challenges.

Federal agencies have considerable discretionary authority to provide pay and leave flexibilities to address significant recruitment and retention problems. If needed, agencies could strategically use these flexibilities in the locations of concern. Agency headquarters staff may contact OPM for assistance with understanding and implementing pay and leave flexibilities when appropriate.

- Council Decision Point 6: Should any exceptions be made to the policy of defining locality pay area based on standard criteria?

The Working Group recommends *not* doing so. **Note:** Council may want to hear testimony before deciding on this issue.

Council recommendation?

Issue 7: Should the Council go on record in support of increased funding of January pay adjustments for the base General Schedule and locality pay increases?

Locality pay percentages have not increased rapidly since locality pay was first implemented in 1994. The goal of the Federal Employees Pay Comparability Act of 1990 (FEPCA) was to increase locality pay over a 9-year period beginning in 1994 so that only a 5-percent pay disparity remained in each locality pay area by the end of that period. However, since 1995, the locality pay increases that would have been implemented under FEPCA have not been implemented. Since 1995, locality pay increases have been limited each year either by Presidents exercising their alternative pay plan authority under 5 U.S.C. 5304a or by Congress specifying smaller pay increases than those authorized by FEPCA. As a result, all locality pay percentages now in effect are below those that would have been implemented under FEPCA absent another provision of law. For example, the “full FEPCA” 2023 locality pay percentage for the Rest of US locality pay area would be 25.14 percent rather than 16.50 percent. However, it should also be noted that the President’s Pay Agent has expressed reservations regarding the validity of the locality pay methodology since the beginnings of locality pay, which is a major reason why “full FEPCA” locality pay percentages have not been implemented.

The Council noted in its [February 2023 report](#) that the overall remaining pay disparity was 24.09 percent, which meant that closing pay disparities to leave no more than a 5-percent remaining pay disparity as envisioned by FEPCA would require locality pay increases averaging 18.18 percent. It is also worth noting that the overall remaining pay disparity including implemented locality payments has been greater than 20 percent since March 2007.

Consistently providing the full amount authorized under current law for the base GS increase would be a significant improvement. The GS base rates to which locality pay percentages are applied are adjusted using the formula in 5 U.S.C. 5303(a). For the January 2024 pay adjustment, the formula would provide an increase for base GS rates equal to the percentage increase in the Employment Cost Index (ECI), wages and salaries, private industry workers, between September 2021 and September 2022, less half a percentage point. The ECI increased by 5.2 percent in September 2022, so the base GS increase in 2024 would be 4.7 percent under the current statutory formula.

Under the President’s [alternative plan for 2024](#), the across-the-board increase for base GS rates would be 4.7 percent (as under the statutory formula) and locality pay increases would average 0.5 percent, resulting in an overall average increase of 5.2 percent for civilian Federal employees, which is equal to the full ECI. As shown by historical information covering 30 years of January pay adjustments provided in Attachment 8, this total increase, if enacted, will be the highest total increase in the history of locality pay. Clearly, this would be a major step in the right direction and would benefit the Federal workforce. However, now may be a good time to consider a strategy for future January pay adjustments.

As Attachment 8 shows, in many past years since locality pay was implemented in 1994, increases in base GS rates were less than what would be authorized under 5 U.S.C. 5303(a). Providing smaller base pay increases exacerbates pay disparities throughout the Country and has the effect of increasing the locality pay dollars needed to close pay disparities in locality pay areas. As an example, a number of the former Rest of US research areas established as separate locality pay areas since 2016 only marginally exceeded the pay disparity standard upon their establishment as separate locality pay areas—which requires a pay disparity 10 percentage points above that for the Rest of US over an extended period. Since pay disparities are calculated by comparing base GS rates to non-Federal rates, the question emerging with respect to areas such as these from a review of historical pay increases is whether providing the full ECI for a base GS increase would be a better way of addressing pay disparities for some of these areas. That might be better than creating new locality pay areas and possibly waiting for years for their locality pay percentages to grow much beyond that for the Rest of US. The President could then use any amount reserved for locality pay increases to vary those so that the areas with higher pay disparities could receive larger increases to reduce their pay disparities.

Consistently providing meaningful locality pay increases each year—at least 0.5 percent of the GS payroll but preferably 1.0 percent or more—would also be helpful. The goal of locality pay is to reduce significant pay disparities. The greater an overall amount is for locality pay increases, the more locality pay percentages can be adjusted based on current pay disparities. The smaller an overall amount is for locality pay increases, however, the less implemented locality pay percentages will reduce pay disparities and reflect changes in local labor markets as shown by BLS salary data.

This can be understood by considering the example of the locality pay percentage for Houston, TX. Many years ago and under the earliest salary survey methodology, Houston, TX, had a higher pay disparity than Washington, DC, and because areas with larger pay disparities received larger initial locality pay percentages in 1994 and larger locality pay increases in subsequent years, the amount by which Houston locality pay rates exceeded DC locality pay rates grew as long as the pay disparity for Houston exceeded the pay disparity for DC. Beginning with the second salary survey methodology used in the locality pay program and continuing under the third (and current) salary survey methodology, the pay disparity for DC has consistently exceeded the pay disparity for Houston. However, because the practice is always to provide some locality pay increase for every locality pay area that still has a pay disparity, both areas have continued to receive increases whenever locality pay increases are authorized, but DC has been receiving larger locality pay increases than Houston. However, while DC has been receiving greater locality pay increases than Houston since 2006, no locality pay increases were provided during the years 2011-2015 and 2021, and in years when locality pay increases were provided, they were based on small overall amounts in some cases.

In 2023, despite having had a lower pay disparity than DC for nearly 2 decades, Houston still has a higher locality pay percentage—34.47 percent in Houston versus 32.49 percent in DC. While the difference between the two areas in locality pay percentages has decreased since 2006 when the locality pay percentage for Houston was 26.37 percent and the locality pay percentage for DC was 17.50 percent, it has taken many years to reach this outcome because of the slow implementation of locality pay percentages under FEPCA. OPM periodically receives contacts from employees expressing concern that the Houston pay levels compared to those in certain other locations indicate significant problems with underlying salary data rather than insufficient funding of annual locality pay adjustments. But an observer without the foregoing background information might conclude that the current pay levels in Houston versus DC indicate that perhaps the Government should not invest more in locality pay increases to close pay disparities based on flawed data.

- [Council Decision Point 7: Should the Council go on record in support of increased funding of annual pay adjustments as discussed above?](#)

[The Working Group recommends doing so. Council recommendation?](#)

Issue 8: Should the Council ask BLS to collect data for a sample of NCS/OEWS observations to show the prevailing policy on salary ranges and waiting periods for progression through those ranges?

As has been the case for decades, the General Schedule has a pay range of 30 percent for most grades—i.e., the maximum rate is generally about 30 percent higher than the minimum rate. While this may have been a reflection of the labor market in past decades, the Chairman believes it does not reflect modern labor markets and that the narrowness of the GS range compared to non-Federal salary ranges for comparable jobs may partially explain the size of the pay disparities the Council calculates each year. However, BLS does not include the collection of data on pay range policy in the processes by which it produces salary estimates for the locality pay program.

The Chairman believes it is important to be aware of significant factors driving the overall disparity between GS and non-Federal pay. Accordingly, he recommends the Council ask BLS to collect data on pay range policy for a sample of observations sufficient for estimating the prevailing non-Federal range width and progression time. The data collected would be similar to the rate range data the Department of Defense collects for the Federal Wage System.

- [Council Decision Point 8: Should the Council ask BLS to collect data for a sample of NCS/OEWS observations to show the prevailing policy on salary ranges and waiting periods for progression through those ranges?](#)

[The Working Group recommends doing so. Council recommendation?](#)

Issue 9: Should the Council go on record to point out the increasingly significant impact on locality pay rates being limited to level IV of the Executive Schedule (EX-IV)?

In the nearly 3 decades since locality pay was first implemented in 1994, the EX-IV pay cap being applied to GS locality pay rates has resulted in pay compression for an increasing number of GS-15 employees who have reached the cap. Currently, the cap applies in 33 locality pay areas, and as of mid-2023 there were employees in 30 of those areas who were capped. In addition, in the San Jose-San Francisco locality pay area, which has the highest locality pay percentage in 2023 (44.15 percent), the GS 14, Step 10 rate is also capped. While GS employees who are capped represent approximately 1.4 percent out of a total civilian workforce of 2.17 million, such employees are growing in number. Since the number of such employees is relatively small, increasing the cap would be unlikely to impact the measured pay disparity significantly. However, the pay compression resulting from application of the EX-IV cap is a growing problem. In addition, pay equity is a consideration too; while the EX-IV rate does not vary by area, the degree to which the EX-IV limit reduces the benefit of an annual pay adjustment for affected employees varies with the applicable locality pay percentage and the number of employees at capped pay rates.

- [Council Decision Point 9: Should the Council go on record to point out the increasingly significant impact on locality pay rates being limited to the EX-IV rate?](#)

[The Working Group recommends doing so. Council recommendation?](#)

Attachment 1

FEPCA Locality Rates for 2025 Using Current Salary Survey Methodology March 2023 NCS/OEWS Pay Disparities and "Full FEPCA" Locality Pay Percentages

Locality Pay Area	March 2023 Base GS Payroll	March 2023 Pay Disparity	March 2023 Full FEPCA Locality Rate	Remaining Pay Disparity
Alaska	\$550,616,106	63.27%	55.50%	5.00%
Albany-Schenectady, NY-MA	\$212,656,933	57.79%	50.28%	5.00%
Albuquerque-Santa Fe-Las Vegas, NM	\$751,907,001	41.26%	34.53%	5.00%
Atlanta--Athens-Clarke County--Sandy Springs, GA-AL	\$2,767,945,521	50.41%	43.25%	5.00%
Austin-Round Rock, TX	\$549,969,211	48.25%	41.19%	5.00%
Birmingham-Hoover-Talladega, AL	\$510,500,221	44.08%	37.22%	5.00%
Boston-Worcester-Providence, MA-RI-NH-ME	\$2,147,303,736	75.83%	67.46%	5.00%
Buffalo-Cheektowaga, NY	\$418,904,418	53.47%	46.16%	5.00%
Burlington-South Burlington, VT	\$246,409,369	54.28%	46.93%	5.00%
Charlotte-Concord, NC-SC	\$309,490,619	50.28%	43.12%	5.00%
Chicago-Naperville, IL-IN-WI	\$1,692,338,646	64.27%	56.45%	5.00%
Cincinnati-Wilmington-Maysville, OH-KY-IN	\$510,691,503	42.59%	35.80%	5.00%
Cleveland-Akron-Canton, OH	\$930,634,305	41.64%	34.90%	5.00%
Colorado Springs, CO	\$551,943,077	51.48%	44.27%	5.00%
Columbus-Marion-Zanesville, OH	\$705,325,311	49.49%	42.37%	5.00%
Corpus Christi-Kingsville-Alice, TX ⁴	\$251,416,882	35.90%	30.65%	4.02%
Dallas-Fort Worth, TX-OK	\$1,731,539,127	54.74%	47.37%	5.00%
Davenport-Moline, IA-IL	\$329,339,186	40.94%	34.23%	5.00%
Dayton-Springfield-Sidney, OH	\$670,464,387	44.46%	37.58%	5.00%
Denver-Aurora, CO	\$1,595,978,724	75.15%	66.81%	5.00%
Des Moines-Ames-West Des Moines, IA	\$225,609,665	43.90%	37.05%	5.00%
Detroit-Warren-Ann Arbor, MI	\$1,150,530,183	53.30%	46.00%	5.00%
Fresno-Madera-Hanford, CA	\$418,627,266	53.40%	46.10%	5.00%
Harrisburg-Lebanon, PA	\$450,135,440	45.34%	38.42%	5.00%
Hartford-West Hartford, CT-MA	\$366,876,036	66.46%	58.53%	5.00%
Hawaii	\$1,196,761,463	53.49%	46.18%	5.00%
Houston-The Woodlands, TX	\$1,322,853,095	58.47%	50.92%	5.00%
Huntsville-Decatur-Albertville, AL	\$914,780,614	53.53%	46.22%	5.00%
Indianapolis-Carmel-Muncie, IN	\$807,895,418	39.38%	32.74%	5.00%
Kansas City-Overland Park-Kansas City, MO-KS	\$1,466,558,716	44.30%	37.43%	5.00%
Laredo, TX	\$279,291,800	43.50%	36.67%	5.00%
Las Vegas-Henderson, NV-AZ	\$445,093,514	46.06%	39.10%	5.00%
Los Angeles-Long Beach, CA	\$2,972,508,582	80.97%	72.35%	5.00%
Miami-Fort Lauderdale-Port St. Lucie, FL	\$1,224,121,367	45.77%	38.83%	5.00%
Milwaukee-Racine-Waukesha, WI	\$312,417,983	44.87%	37.97%	5.00%
Minneapolis-St. Paul, MN-WI	\$776,825,948	62.43%	54.70%	5.00%
New York-Newark, NY-NJ-CT-PA	\$3,328,871,560	87.31%	78.39%	5.00%
Omaha-Council Bluffs-Fremont, NE-IA	\$394,801,667	41.28%	34.55%	5.00%
Palm Bay-Melbourne-Titusville, FL	\$330,139,058	43.75%	36.90%	5.00%
Philadelphia-Reading-Camden, PA-NJ-DE-MD	\$2,292,755,230	61.87%	54.16%	5.00%
Phoenix-Mesa-Scottsdale, AZ	\$809,056,243	54.33%	46.98%	5.00%
Pittsburgh-New Castle-Weirton, PA-OH-WV	\$601,992,400	41.96%	35.20%	5.00%
Portland-Vancouver-Salem, OR-WA	\$887,032,592	60.84%	53.18%	5.00%
Raleigh-Durham-Chapel Hill, NC	\$1,341,879,919	48.60%	41.52%	5.00%
Reno-Fernley, NV	\$155,750,222	48.17%	41.11%	5.00%
Rest of US	\$28,258,532,186	37.18%	30.65%	5.00%
Richmond, VA	\$764,860,259	50.47%	43.30%	5.00%
Rochester-Batavia-Seneca Falls, NY	\$146,980,125	55.44%	48.04%	5.00%
Sacramento-Roseville, CA-NV	\$601,607,255	72.23%	64.03%	5.00%

⁴ The pay disparity for the Corpus Christi, TX, locality pay area remains below the pay disparity for the Rest of US locality pay area. When a pay disparity for a separate locality pay area falls below that for the Rest of US, the Rest of US target pay gap is recommended for that locality pay area, and the Council continues to monitor the pay disparity for the locality pay area.

Locality Pay Area	March 2023 Base GS Payroll	March 2023 Pay Disparity	March 2023 Full FEPCA Locality Rate	Remaining Pay Disparity
San Antonio-New Braunfels-Pearsall, TX	\$1,682,815,637	42.29%	35.51%	5.00%
San Diego-Carlsbad, CA	\$1,881,420,419	80.50%	71.90%	5.00%
San Jose-San Francisco-Oakland, CA	\$1,941,920,265	109.43%	99.46%	5.00%
Seattle-Tacoma, WA	\$2,087,182,968	83.63%	74.89%	5.00%
Spokane-Spokane Valley-Coeur d'Alene, WA-ID	\$204,567,746	52.98%	45.70%	5.00%
St. Louis-St. Charles-Farmington, MO-IL	\$943,777,025	50.07%	42.92%	5.00%
Tucson-Nogales, AZ	\$859,271,063	46.56%	39.58%	5.00%
Virginia Beach-Norfolk, VA-NC	\$2,454,377,814	45.33%	38.41%	5.00%
Washington-Baltimore-Arlington, DC-MD-VA-WV-PA	\$25,277,318,195	81.42%	72.78%	5.00%
Total/Averages	\$109,013,171,221	59.40%	51.81%	5.00%

Attachment 2

Explanation of NCS/OEWS Model and Pay Disparity Calculations

NCS/OEWS Model

The Bureau of Labor Statistics (BLS) uses National Compensation Survey (NCS) data to assess the impact of level of work on occupational earnings, and applies factors derived from the NCS sample to occupational average salaries from Occupational Employment and Wage Statistics (OEWS) data to estimate occupational earnings by level of work in each locality pay area. This measurement process is called the *NCS/OEWS Model*.

To calculate estimates of pay disparities, the Pay Agent asks BLS to calculate annual wage estimates by area, occupation, and grade level. These estimates are then weighted by National Federal employment to arrive at wage estimates by broad occupation group and grade for each pay area. There are five broad occupational groups collectively referred to as “PATCO” categories: Professional (P), Administrative (A), Technical (T), Clerical (C), and Officer (O).

OEWS data provide wage estimates by occupation for each locality pay area, but do not have information by grade level. The NCS has information on grade level, but a much smaller sample with which to calculate occupation-area estimates. To combine the information from the two samples, a regression Model is used. The Model assumes that the difference between a wage observed in the NCS for a given area, occupation, and grade level, and the corresponding area-occupation wage from the OEWS, can be explained by a few key variables, the most important of which is the grade level itself. The Model then predicts the extent to which wages will be higher, on average, for higher grade levels. It is important to note that the Model assumes the relationship between wages and levels is the same throughout the Nation. While this assumption is not likely to hold exactly, the NCS sample size is not large enough to allow the effect of grade level on salary to vary by area.

Once estimated, the Model is used to predict the hourly wage rate for area-occupation-grade cells of interest to the Pay Agent. This predicted hourly wage rate is then multiplied by 2,080 hours (52 weeks X 40 hours per week) to arrive at an estimate of the annual earnings for that particular cell. The estimates from the Model are then averaged, using Federal employment levels as weights, to form an estimate of annual earnings for PATCO job family and grade for each area.

Calculating Pay Disparities Using the NCS/OEWS Model

Because 5 U.S.C. 5302(6) requires that each local pay disparity be expressed as a single percentage, the comparison of GS and non-Federal rates of pay in a locality requires that the two sets of rates be reduced to one pair of rates, a GS average and a non-Federal average. An important principle in averaging each set of rates is that the rates of individual survey jobs, job categories, and grades are weighted by Federal GS employment in equivalent classifications. Weighting by Federal employment ensures that the influence of

each non-Federal survey job on the overall non-Federal average is proportionate to the frequency of that job in the Federal sector.

A three-stage weighted average is used in the pay disparity calculations. In the first stage, job rates from the NCS/OEWS Model are averaged within PATCO category by grade level. The NCS/OEWS Model covers virtually all GS jobs. The Model produces occupational wage information for jobs found only in the OEWS sample for an area. For averaging within PATCO category, each job rate is weighted by the Nationwide full-time, permanent, year-round employment⁵ in GS positions that match the job. BLS combines the individual occupations within PATCO-grade cells and sends OPM average non-Federal salaries by PATCO-grade categories. The reason for National weighting in the first stage is explained below.

When the first stage averages are complete, each grade is represented by up to five PATCO category rates in lieu of its original job rates. Under the NCS/OEWS Model, all PATCO-grade categories with Federal incumbents are represented, except where BLS had no data for the PATCO-grade cell in a location.

In the second stage, the PATCO category rates are averaged by grade level to one grade level rate for each grade represented. Thus, at grade GS-5, which has Federal jobs in all five PATCO categories, the five PATCO category rates are averaged to one GS-5 non-Federal pay rate. For averaging by grade, each PATCO category rate is weighted by the local full-time, permanent, year-round GS employment in the category at the grade.

In the third stage, the grade averages are weighted by the corresponding local, full-time, permanent, year-round GS grade level employment and averaged to a single overall non-Federal pay rate for the locality. This overall non-Federal average salary is the non-Federal rate to which the overall average GS rate is compared. Under the NCS/OEWS Model, all 15 GS grades can be represented.

Since GS rates by grade are not based on a sample, but rather on a census of the relevant GS populations, the first two stages of the above process are omitted in deriving the GS average rate. For each grade level represented by a non-Federal average derived in stage two, we average the scheduled rates of all full-time, permanent, year-round GS employees at the grade in the area. The overall GS average rate is the weighted average of these GS grade level rates, using the same weights as those used to average the non-Federal grade level rates.

Finally, the pay disparity is the percentage by which the overall average non-Federal rate exceeds the overall average GS rate.

As indicated above, at the first stage of averaging the non-Federal data, the weights represent National GS employment, while local GS employment is used to weight the second and third stage averages. GS employment weights are meant to ensure that the

⁵ Employment weights include employees in the United States and its territories and possessions.

effect of each non-Federal pay rate on the overall non-Federal average reflects the relative frequency of Federal employment in matching Federal job classifications.

The methodology employed by the Pay Agent to measure local pay disparities does not use local weights in the first (job level) stage of averaging because this would have an undesirable effect. A survey job whose Federal counterpart has no local GS incumbents will “drop out” in stage one and have no effect on the overall average. For this reason, National weights are used in the first stage of averaging data. National weights are used only where retention of each survey observation is most important---at the job level or stage one. Local weights are used at all other stages.

Calculation of the Washington-Baltimore pay disparity is shown on the next page as an example.

Grade	BLS Average Grade-PATCO Salary Estimates for Washington, DC (Derived Using Nationwide GS Employment Weights)					Local GS Employment Weights Used to Derive Washington, DC Average Non-Federal Salaries					Calculating Overall Average Non-Federal and Federal Salaries Using Grade Weights for DC			
	Admin	Clerical	Officer	Professional	Technical	Admin	Clerical	Officer	Professional	Technical	Grade Fed Emp	BLS Avg	GS Avg	Gap
1		\$32,521			\$32,669		2				2	\$32,521.00	\$25,583	27.12%
2		\$41,454			\$40,158		7			4	19	\$40,982.73	\$25,756	59.12%
3		\$42,477	\$46,710		\$41,657		40	6		9	68	\$42,804.60	\$29,604	44.59%
4		\$48,399	\$53,272	\$55,602	\$48,091		204	13		67	326	\$48,549.40	\$33,732	43.93%
5	\$62,129	\$56,563	\$58,250	\$55,763	\$51,450	238	876	157	33	1,211	2,563	\$54,722.57	\$36,582	49.59%
6	\$72,841	\$68,258	\$64,047	\$70,024	\$58,101	1	1,005	734		2,255	4,011	\$61,752.29	\$41,079	50.33%
7	\$79,575	\$73,816	\$73,831	\$78,079	\$66,668	1,594	412	1,001	799	4,163	8,067	\$71,663.14	\$45,673	56.90%
8	\$86,996	\$82,659	\$79,527	\$89,569	\$75,167	25	322	525		2,308	3,181	\$76,738.43	\$52,642	45.77%
9	\$93,619	\$81,486	\$88,969	\$86,433	\$85,075	7,421	213	332	1,556	1,937	11,507	\$90,838.72	\$55,022	65.10%
10	\$101,994	\$91,679	\$99,884	\$98,498	\$98,846	697	91	89	16	389	1,282	\$100,116.49	\$62,397	60.45%
11	\$121,893	\$104,925	\$116,002	\$111,668	\$115,319	12,517	11	152	3,774	794	17,282	\$119,290.32	\$66,229	80.12%
12	\$152,747	\$132,275	\$150,748	\$151,973	\$153,236	24,783	14	183	10,002	1,088	36,078	\$152,529.04	\$80,872	88.61%
13	\$177,887	\$149,833	\$198,899	\$180,484	\$203,887	49,082		510	17,507	474	67,580	\$178,900.80	\$97,802	82.92%
14	\$180,674		\$174,605	\$188,329	\$170,893	39,499		448	20,775	113	60,840	\$183,225.30	\$117,264	56.25%
15	\$292,666	\$173,918	\$247,582	\$321,710	\$247,706	18,839		158	16,959	14	35,974	\$306,144.02	\$140,294	118.22%
											248,780	\$177,741.99	\$97,974.57	81.42%

Attachment 3

NSC/OEWS Model Pay Disparities 2021-2023 in 43 BLS Research Areas Each Research Area Compared to Rest of US

Area	Area Pay Gaps			Area Pay Gaps Minus Rest of US Pay Gap			
	2021	2022	2023	2021	2022	2023	Average
Asheville, NC	37.01%	34.14%	33.86%	5.61%	-0.40%	-3.32%	0.63%
Augusta, GA	32.76%	25.59%	27.34%	1.36%	-8.95%	-9.84%	-5.81%
Boise, ID	38.74%	37.93%	39.07%	7.34%	3.39%	1.89%	4.21%
Brownsville, TX	17.54%	27.41%	21.85%	-13.86%	-7.13%	-15.33%	-12.11%
Charleston, SC	37.00%	46.18%	42.73%	5.60%	11.64%	5.55%	7.60%
Charleston, WV	22.81%	23.75%	26.68%	-8.59%	-10.79%	-10.50%	-9.96%
Clarksville, TN	15.30%	17.99%	23.59%	-16.10%	-16.55%	-13.59%	-15.41%
Columbia, SC	28.09%	31.50%	34.22%	-3.31%	-3.04%	-2.96%	-3.10%
Crestview, FL	37.90%	37.81%	38.74%	6.50%	3.27%	1.56%	3.78%
Dothan, AL	36.50%	31.07%	78.91%	5.10%	-3.47%	41.73%	14.45%
El Paso, TX	29.51%	25.17%	24.79%	-1.89%	-9.37%	-12.39%	-7.88%
Gainesville, FL	23.61%	27.93%	28.32%	-7.79%	-6.61%	-8.86%	-7.75%
Gulfport, MS	31.54%	27.93%	28.96%	0.14%	-6.61%	-8.22%	-4.90%
Jackson, MS	21.16%	17.08%	18.04%	-10.24%	-17.46%	-19.14%	-15.61%
Jacksonville, FL	34.30%	34.80%	39.22%	2.90%	0.26%	2.04%	1.73%
Jacksonville, NC	23.68%	23.82%	25.95%	-7.72%	-10.72%	-11.23%	-9.89%
Kalamazoo, MI	37.05%	41.30%	41.24%	5.65%	6.76%	4.06%	5.49%
Killeen-Temple, TX	26.59%	31.35%	32.75%	-4.81%	-3.19%	-4.43%	-4.14%
Lawton, OK	30.02%	23.06%	27.53%	-1.38%	-11.48%	-9.65%	-7.50%
Lexington, KY	23.24%	24.32%	27.58%	-8.16%	-10.22%	-9.60%	-9.33%
Lincoln, NE	31.09%	31.02%	33.23%	-0.31%	-3.52%	-3.95%	-2.59%
Little Rock, AR	16.63%	19.14%	23.69%	-14.77%	-15.40%	-13.49%	-14.55%
Louisville, KY	35.13%	36.52%	39.90%	3.73%	1.98%	2.72%	2.81%
Macon, GA	28.99%	28.83%	35.17%	-2.41%	-5.71%	-2.01%	-3.38%
Madison, WI	38.45%	42.74%	47.55%	7.05%	8.20%	10.37%	8.54%
Manhattan, KS	19.32%	21.68%	27.69%	-12.08%	-12.86%	-9.49%	-11.48%
McAllen, TX	17.64%	23.27%	21.55%	-13.76%	-11.27%	-15.63%	-13.55%
Memphis, TN	25.77%	28.75%	32.79%	-5.63%	-5.79%	-4.39%	-5.27%
Montgomery, AL	29.40%	32.58%	33.76%	-2.00%	-1.96%	-3.42%	-2.46%
Nashville, TN	30.41%	37.20%	41.14%	-0.99%	2.66%	3.96%	1.88%
New Bern, NC	35.85%	34.92%	33.98%	4.45%	0.38%	-3.20%	0.54%
New Orleans, LA	36.89%	36.74%	38.25%	5.49%	2.20%	1.07%	2.92%
Oklahoma City, OK	38.38%	40.27%	43.50%	6.98%	5.73%	6.32%	6.34%
Orlando, FL	30.76%	35.84%	34.63%	-0.64%	1.30%	-2.55%	-0.63%
Parkersburg, WV	32.84%	31.16%	30.91%	1.44%	-3.38%	-6.27%	-2.74%
Pensacola, FL	22.34%	22.96%	23.21%	-9.06%	-11.58%	-13.97%	-11.54%
Salt Lake City, UT	36.57%	40.94%	43.46%	5.17%	6.40%	6.28%	5.95%
Savannah, GA	29.02%	33.82%	36.95%	-2.38%	-0.72%	-0.23%	-1.11%
Scranton, PA	35.71%	34.02%	37.14%	4.31%	-0.52%	-0.04%	1.25%
Shreveport, LA	25.53%	30.74%	30.97%	-5.87%	-3.80%	-6.21%	-5.29%
Tampa, FL	37.40%	39.01%	41.44%	6.00%	4.47%	4.26%	4.91%
Tulsa, OK	35.44%	39.02%	37.81%	4.04%	4.48%	0.63%	3.05%
Yuma, AZ	28.67%	28.74%	27.61%	-2.73%	-5.80%	-9.57%	-6.03%
Rest of US	31.40%	34.54%	37.18%	0.00%	0.00%	0.00%	0.00%

Attachment 4
Locations under Consideration as Rest of US Research Areas

Alexandria, LA Metropolitan Statistical Area
Greensboro--Winston-Salem--High Point, NC Combined Statistical Area
Johnson City-Kingsport-Bristol, TN-VA Combined Statistical Area
Kennewick-Richland-Walla Walla, WA Combined Statistical Area
Knoxville-Morristown-Sevierville, TN Combined Statistical Area
Rapid City-Spearfish, SD Combined Statistical Area
Roanoke, VA Metropolitan Statistical Area
Syracuse-Auburn, NY Combined Statistical Area
Waco, TX Metropolitan Statistical Area
Watertown-Fort Drum, NY Metropolitan Statistical Area
Wichita-Winfield, KS Combined Statistical Area

Attachment 5

Locations Added to Locality Pay Areas under Working Group Recommendations

If the Pay Agent applies the updated commuting data and core-based statistical areas (CBSAs) in line with past practice, then assuming locality pay area definitions proposed for 2024 go into effect, in 2025 about 14,797 employees would be redesignated to a higher-paying locality pay area as a result.

The table below uses the following terms in the “COMPONENTTYPE” column to indicate what type of addition each listed location would be to a locality pay area, and—

- “Basic LPA” means the location would be added to the locality pay area by virtue of being part of the CBSA comprising the basic locality pay area;
- “Metro AA” means the location meets the 7.5 percent employment interchange criterion used to evaluate CBSAs adjacent to a basic locality pay area;
- “Single County AA” means the location meets the 20 percent employment interchange criterion used to evaluate single counties adjacent to a basic locality pay area; and
- “Single County AA (Adj to multi and sums to 20 PCT+)” means that, while the location does not meet the 20 percent employment interchange criterion for single counties with respect to a single locality pay area, the sum of employment interchange rates for all adjacent basic locality pay areas is at least 20 percent.

2025 LPA	2024 LPA	PLACENAME	COMPONENTTYPE	GS Empl
Albuquerque, NM	Rest of US	Socorro County, NM	Single County AA	95
Atlanta, GA	Rest of US	Macon County, AL	Metro AA	593
Atlanta, GA	Birmingham	Tallapoosa County, AL	Metro AA	28
Austin, TX	Rest of US	Bell County, TX	Metro AA	6,499
Austin, TX	Rest of US	Coryell County, TX	Metro AA	76
Austin, TX	Rest of US	Fayette County, TX	Single County AA (Adj to multi and sums to 20 PCT+)	18
Austin, TX	Rest of US	Lampasas County, TX	Metro AA	24
Boston, MA	Rest of US	Windham County, VT	Metro AA	28
Charlotte, NC	Rest of US	McDowell County, NC	Basic LPA	40
Charlotte, NC	Rest of US	Rutherford County, NC	Single County AA	31
Cleveland, OH	Columbus,	Coshocton County, OH	Basic LPA	13
Cleveland, OH	Rest of US	Hancock County, OH	Metro AA	42
Cleveland, OH	Rest of US	Ottawa County, OH	Basic LPA	136
Cleveland, OH	Rest of US	Sandusky County, OH	Basic LPA	12
Cleveland, OH	Rest of US	Seneca County, OH	Metro AA	9
Columbus, OH	Rest of US	Athens County, OH	Basic LPA	115
Columbus, OH	Rest of US	Jackson County, OH	Single County AA	8
Columbus, OH	Rest of US	Meigs County, OH	Single County AA	5
Columbus, OH	Rest of US	Wyandot County, OH	Surrounded	1
Dallas, TX	Rest of US	Lamar County, TX	Metro AA	36
Dallas, TX	Rest of US	Marshall County, OK	Single County AA	4
Dallas, TX	Rest of US	Red River County, TX	Metro AA	8
Denver, CO	Rest of US	Lake County, CO	Metro AA	24
Denver, CO	Rest of US	Summit County, CO	Metro AA	45
Detroit, MI	Rest of US	Bay County, MI	Metro AA	60

2025 LPA	2024 LPA	PLACENAME	COMPONENTTYPE	GS Empl
Detroit, MI	Rest of US	Fulton County, OH	Metro AA	8
Detroit, MI	Rest of US	Lucas County, OH	Metro AA	523
Detroit, MI	Rest of US	Midland County, MI	Metro AA	16
Detroit, MI	Rest of US	Saginaw County, MI	Metro AA	953
Detroit, MI	Rest of US	Wood County, OH	Metro AA	46
Houston, TX	Rest of US	Polk County, TX	Single County AA	10
Huntsville, AL	Rest of US	Franklin County, AL	Metro AA	32
Huntsville, AL	Rest of US	Giles County, TN	Single County AA	7
Indianapolis, IN	Rest of US	Cass County, IN	Single County AA	31
Indianapolis, IN	Rest of US	Howard County, IN	Basic LPA	31
Indianapolis, IN	Rest of US	Miami County, IN	Basic LPA	331
Indianapolis, IN	Rest of US	Parke County, IN	Single County AA	11
Indianapolis, IN	Rest of US	White County, IN	Metro AA	5
Kansas City, MO-KS	Rest of US	St. Clair County, MO	Single County AA	3
Las Vegas, NV	Rest of US	Esmeralda County, NV	Single County AA	0
Los Angeles, CA	Rest of US	La Paz County, AZ	Single County AA (Adj to multi	200
Minneapolis, MN	Rest of US	Pepin County, WI	Single County AA	3
Minneapolis, MN	Rest of US	Todd County, MN	Single County AA	22
Minneapolis, MN	Rest of US	Winona County, MN	Metro AA	31
Phoenix, AZ	Rest of US	Yuma County, AZ	Surrounded	2,629
Pittsburgh, PA	Rest of US	Monongalia County, WV	Metro AA	816
Pittsburgh, PA	Rest of US	Preston County, WV	Metro AA	691
Raleigh, NC	Rest of US	Richmond County, NC	Metro AA	36
Raleigh, NC	Rest of US	Sampson County, NC	Single County AA	33
Reno, NV	Rest of US	Mineral County, NV	Single County AA	44
Reno, NV	Rest of US	Pershing County, NV	Single County AA	5
San Jose-San Francisco, CA	Rest of US	Tuolumne County, CA	Single County AA	233
Washington, DC	Rest of US	Page County, VA	Single County AA	97
Average/Total				14,797

Attachment 6
Connecticut Planning Region Locations to be Retained in Current Locality Pay Area

Legacy FIPS	Legacy County Name	Planning Region Code	Planning Region Name	Town	Current Pay Area	Pay Area with Unqualified 23-01 Use
09001	Fairfield County	09140	Naugatuck Valley Planning Region	Shelton town	New York	Hartford
09005	Litchfield County	09140	Naugatuck Valley Planning Region	Thomaston town	New York	Hartford
09005	Litchfield County	09140	Naugatuck Valley Planning Region	Watertown town	New York	Hartford
09005	Litchfield County	09140	Naugatuck Valley Planning Region	Woodbury town	New York	Hartford
09005	Litchfield County	09140	Naugatuck Valley Planning Region	Plymouth town	New York	Hartford
09005	Litchfield County	09140	Naugatuck Valley Planning Region	Bethlehem town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Litchfield town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	New Hartford town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Norfolk town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	North Canaan town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Sharon town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Torrington town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Warren town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Washington town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Winchester town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Barkhamsted town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Roxbury town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Salisbury town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Canaan town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Colebrook town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Cornwall town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Goshen town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Harwinton town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Kent town	New York	Hartford
09005	Litchfield County	09160	Northwest Hills Planning Region	Morris town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Cheshire town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Derby town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Seymour town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Naugatuck town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Wolcott town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Beacon Falls town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Middlebury town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Waterbury town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Oxford town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Southbury town	New York	Hartford

Legacy FIPS	Legacy County Name	Planning Region Code	Planning Region Name	Town	Current Pay Area	Pay Area with Unqualified 23-01 Use
09009	New Haven County	09140	Naugatuck Valley Planning Region	Prospect town	New York	Hartford
09009	New Haven County	09140	Naugatuck Valley Planning Region	Ansonia town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	East Haven town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Woodbridge town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Hamden town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Meriden town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	New Haven town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	North Branford town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	North Haven town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Orange town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Wallingford town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	West Haven town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Milford town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	County subdivisions not	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Madison town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Bethany town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Branford town	New York	Hartford
09009	New Haven County	09170	South Central Connecticut Planning Region	Guilford town	New York	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Hampton town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Sterling town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Thompson town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Woodstock town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Putnam town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Killingly town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Ashford town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Brooklyn town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Canterbury town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Chaplin town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Eastford town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Plainfield town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Pomfret town	Boston	Hartford
09015	Windham County	09150	Northeastern Connecticut Planning Region	Scotland town	Boston	Hartford
09015	Windham County	09180	Southeastern Connecticut Planning Region	Windham town	Boston	Hartford

Attachment 7
Locations that have Contacted Council Staff Since 10/28/22 Council Meeting

Contacts Regarding Pay Areas Separate from Rest of US

Area	Notes
Austin locality pay area	Concerns were related to pay levels. In the cases of Carlisle Barracks and Boston and the Sacramento locality pay areas, OPM Staff received proposals to depart from use of OMB-defined CSAs/MSAs as the basis of locality pay areas.
Boston locality pay area	
Carlisle Barracks within Harrisburg locality pay area	
Miami locality pay area	
Philadelphia locality pay area (proposal to redesignate Cecil County, MD, to DC locality pay area)	
Sacramento locality pay area (proposal to redesignate Yolo County, CA, to the San Jose locality pay area)	
Southern New Jersey Counties within Philadelphia locality pay area	
Washington-Baltimore locality pay area	

Notes on table below:

- It is not the case that the Council considered only the locations listed below for its recommendations to the Pay Agent. The criteria used to define locality pay areas are applied continuously to all locations throughout the country. Analysis of a Rest of US location using the latest available data does not require a stakeholder request; the information below is to show the geographical range of contacts and the impact of applying the criteria to various locations.
- Regarding the place names in the “Area” column in the table below, OPM staff has used place names that are intended to make it easier to link the entries below to contacts they have received regarding these areas. Stakeholders have not necessarily expressed concern about an entire county or MSA/CSA, nor do they always describe locations in terms of those geographical constructs when contacting OPM.

Contacts Regarding Locations in Rest of US

Area	Notes
Accomack and Northampton Counties, VA	These two single-county locations are adjacent to each other. They do not meet the criteria to be established as areas of application, and they are not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Alamance County, NC (Greensboro, NC, CSA)	Does not meet the criteria for areas of application. However, Council is evaluating the Greensboro, NC, CSA as a possible Rest of US research area.
Asheville, NC (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Beaumont-Port Arthur, TX MSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Bend, OR CSA including Deschutes County, OR	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Boise, ID (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Bonner and Boundary Counties, ID	These two single-county locations are adjacent to each other. They do not meet the criteria to be established as areas of application, and they are not evaluated using the NCS/OEWS Model , which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Butte County, CA (Chico, CA MSA)	Proposed by Working Group to be established as an area of application to the Sacramento locality pay area because it now meets the criteria to do so.
Cape Coral-Fort Myers-Naples, FL CSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Central Florida (Orlando and Tampa Rest of US research areas)	These locations do not meet applicable criteria. Orlando and Tampa area are Rest of US research areas that do <i>not</i> meet the pay disparity criterion.
Charleston, SC (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Charlottesville, VA MSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.

Area	Notes
Chattanooga-Cleveland-Dalton, TN-GA-AL CSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Chautauqua County, NY	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Clallam and Jefferson Counties, WA	Council has recommended and Pay Agent has approved these locations be included in the Seattle locality pay area as areas of application based on being surrounded by higher locality pay as explained in the December 2022 Pay Agent report.
Coconino County, AZ (Flagstaff, AZ MSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
College Station-Bryan, TX Metropolitan Statistical Area	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Coos County, NH	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Douglas and Lane Counties, OR	<p>These two single-county locations are adjacent to each other. They do not meet the criteria to be established as areas of application, and they are not evaluated using the NCS/OEWS Model.</p> <ul style="list-style-type: none"> Regarding Lane County, it comprises the Eugene-Springfield, OR MSA, and no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500. Regarding Douglas County, it comprises Roseburg, OR Micropolitan Statistical Area, and BLS has said the NCS/OEWS Model cannot produce reliable salary estimates for micropolitan areas or rural counties.
Douglas County, MN (Alexandria, MN Micropolitan Statistical Area)	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Erie-Meadville, PA CSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Fayette County, TX	Proposed by Working Group to be established as an area of application to the Austin locality pay area because it now meets the criteria to do so.
Gallatin County, MT (Bozeman, MT MSA)	Does not meet the criteria for areas of application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Glynn County, GA (Brunswick-St. Simons, GA MSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model. Council is working to study pay in more areas with GS employment of less than 2,500. This area has around 1,809 GS employees)
Grand County, CO	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Grand County, UT	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Grand Rapids, MI (Grand Rapids-Wyoming, MI CSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Grand Traverse County, MI (Traverse City, MI MSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Harrisonburg, VA (Harrisonburg-Staunton-Stuarts Draft, VA CSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Hazelton, WV (Morgantown, WV MSA)	Proposed by Working Group to be established as an area of application to the Pittsburgh locality pay area because it now meets the criteria to do so.
Hilton Head Island-Bluffton-Port Royal, SC MSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Jackson, WY (Jackson, WY-ID Micropolitan Area)	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Jacksonville, FL (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Jacksonville, NC (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Kennebec County, ME (Augusta-Waterville, ME Micropolitan Area)	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Kennewick-Richland-Walla Walla, WA CSA	Does not meet the criteria for areas of application. However, Council is evaluating this CSA as a possible Rest of US research area.
Knoxville, TN CSA	Does not meet the criteria for areas of application. However, Council is evaluating this CSA as a possible Rest of US research area.

Area	Notes
Laramie, WY (Cheyenne, WY MSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Lassen County, CA (Susanville, CA Micropolitan Statistical Area)	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Lincoln County, OR (Newport, OR Micropolitan Statistical Area)	Does not meet the criteria for areas of application, and not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Louisville, KY (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Madison, WI (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Mesa County, CO (Grand Junction, CO MSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Missoula, MT MSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Mobile, AL (Mobile-Daphne-Fairhope, AL CSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model, but Council is working to study pay in more areas with GS employment of less than 2,500.
Mono and Inyo Counties, CA	These two single-county locations are adjacent to each other. They do not meet the criteria to be established as areas of application to the locality pay areas they border, and they are not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Montrose County, CO (Montrose, CO Micropolitan Statistical Area)	Does not meet the criteria for areas of application, and not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Nashville, TN (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
New Orleans, LA (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Penobscot County, ME (Bangor, ME MSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Pitkin County, CO (Edwards-Rifle, CO CSA)	Does not meet the criteria for areas of application, and not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties. (The Edwards-Rifle, CO CSA consists entirely of micropolitan areas.)
Prescott Valley-Prescott, AZ MSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Rio Blanco County, CO	Does not meet the criteria for areas of application, and not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties.
Salt Lake City, UT (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Sarasota, FL (North Port-Bradenton, FL CSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Scranton, PA (Rest of US research area)	Does not meet the criteria for areas of application. Does not meet the pay disparity criterion.
Shasta County, CA (Redding-Red Bluff, CA, CSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Smith County, TX (Tyler-Jacksonville, TX CSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Syracuse, NY (Syracuse-Auburn, NY Combined Statistical Area)	Does not meet the criteria for areas of application. However, Council is evaluating the Syracuse CSA as a possible Rest of US research area.
Terre Haute, IN (Terre Haute, IN MSA)	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Tuolumne County, CA	Proposed by Working Group to be established as an area of application to the San Jose-San Francisco, CA locality pay area because it now meets the criteria to do so.

Area	Notes
Union County, PA	Does not meet the criteria for areas of application. Not evaluated using the NCS/OEWS Model, which BLS has said cannot produce reliable salary estimates for micropolitan areas or rural counties. (Is in the Bloomsburg-Berwick-Sunbury, PA CSA, which consists entirely of micropolitan areas) .
Wilmington, NC MSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Yakima, WA MSA	Does not meet the criteria for areas if application. Not yet evaluated using the NCS/OEWS Model; no areas with comparable GS employment have been selected yet for study using the Model. Council is working to study pay in more areas with GS employment of less than 2,500.
Yuma, AZ (Yuma AZ, MSA)	Proposed by Working Group to be established as an area of application to the Phoenix locality pay area because it now meets the criteria to do so.

Attachment 8
History of GS Pay Adjustments Under FEPCA, 1994-2023

Year	Proposed	Enacted	ECI	GS Base Pay	Locality	Action
1994	0	2.2	2.7	0	3.95	No alternative plan proposed, allowing automatic locality pay increase of 2.2%. Congress cancels base pay increase, and directs President to provide locality pay raise. President issues memo to Pay agent approving locality pay increase of 3.95%. Final average pay raise is 2.2%, due to variation in applicability of locality pay.
1995	1.6	2.6	3.1	2.0	0.6	Alternative pay plan (8/31/94) provides base pay increase of 2%; Congress overrides, providing base pay increase of 2% and locality pay increase of 0.6%.
1996	2.4	2.4	2.9	2.0	0.4	Alternative pay plan (8/31/95) provides base pay raise of 2% and locality pay increase of 0.4%.
1997	3.0	3.0	2.8	2.3	0.7	No alternative plan proposed for base pay, allowing automatic base pay increase of 2.3%. Because Congress took no action, to keep the pay increase at 3%, the President issued an alternative pay plan (11/22/96) providing a locality pay increase of 0.7%.
1998	2.8	2.8	3.3	2.3	0.5	Alternative pay plan (8/29/97) provides base pay increase of 2.3% and locality pay increase of 0.5%.
1999	3.1	3.6	3.6	3.1	0.5	No alternative pay plan issued, allowing automatic base pay increase of 3.1%. Congress enacts total pay increase of 3.6%. President issues EO allocating 3.1% to base pay increase, and 0.5% to locality pay increase.
2000	4.4	4.8	4.3	3.8	1.0	No alternative plan issued, allowing automatic base pay increase of 3.8%. Congress enacts total pay increase of 4.8%. President issues EO allocating 3.8% to base pay increase, and
2001	3.7	3.7	3.2	2.7	1.0	No alternative plan issued, allowing automatic base pay increase of 2.7%. Alternative plan (11/30/00) provided locality pay increase of 1.0%. Congress subsequently enacts total pay increase of 3.7%.
2002	3.6	4.6	4.1	3.6	1.0	No alternative plan issued, allowing automatic base pay increase of 3.6%. Congress enacts total pay increase of 4.6%. President issues EO providing 3.6% base pay increase, and 1.0% locality pay increase.
2003	2.6	4.1	3.6	3.1	1.0	No base pay alternative plan issued allowing 3.1% base pay increase. Alternative locality pay plan (11/27/02) provides no locality pay increase takes effect at the first of the year. Congress enacts retroactive 4.1% total increase. President issues Executive Order providing that the extra 1% go to locality pay increases.
2004	2.0	4.1	3.2	2.7	1.4	President's alternative plan (8/27/03) provided 2.0% total increase, 1.5% base increase and 0.5% locality increase. Congress enacts a retroactive 4.1% total increase. President issues Executive Order providing for a 2.7% base pay increase and a 1.4% locality increase.

Year	Proposed	Enacted	ECI	GS Base Pay	Locality	Action
2005	1.5	3.5	3.0	2.5	1.0	President issues alternative plan on November 29, 2004 freezing locality pay percentages but Congress passes legislation providing a 3.5 percent overall increase. President issues Executive Order providing a 2.5% base pay increase and 1.0% for locality pay.
2006	2.3	3.1	2.6	2.1	1.0	No alternative plan issued, allowing automatic base pay increase of 2.1%. Congress enacts total pay increase of 3.1%. President issues EO providing 2.1% base pay increase, and 1.0% locality pay increase.
2007	2.2	2.2	2.2	1.7	0.5	President's Alternative Plan of November 30, 2006.
2008	3.0	3.5	3.0	2.5	1.0	President issues alternative plan on November 28, 2007 allowing the 2.5% base increase and providing 0.5% for locality pay but Congress passes legislation providing a 3.5 percent overall increase. President issues Executive Order providing a 2.5% base pay increase and 1.0% for locality pay.
2009	2.9	3.9	3.4	2.9	1.0	No alternative plan issued, allowing automatic base pay increase of 2.9%. Congress enacts total pay increase of 3.9%. President issues EO providing 2.9% base pay increase, and 1.0% locality pay increase.
2010	2.0	2.0	2.9	1.5	0.5	The President issued an alternative base pay plan that limited base pay to 2.0 percent and planned to freeze locality pay rates at 2009 levels. Congress enacts total pay increase of 2.0% but requires 1.5% for base pay increase and 0.5% for locality pay.
2011	1.4	0	1.4	0	0	The President included a 1.4 percent total increase for civilian employees in his budget. The President issued an alternative plan on November 30 freezing locality pay rates at 2010 levels and asked Congress to cancel the 0.9 percent across-the-board increase. Congress passed legislation freezing Federal pay for 2011-2012.
2012	0	0	1.6	0	0	Pay freeze enacted for 2011-2012 continued.
2013	0.5	0	1.7	0	0	The President included a 0.5 percent January 2013 total increase for civilian employees in his budget, but subsequent legislation was enacted continuing the pay freeze for 2011-2012 through 2013.
2014	1.0	1.0	1.8	1.0	0	The President included a 1.0 percent January 2014 total increase for civilian employees in his budget and issued an alternative pay plan limiting the base General Schedule increase to 1.0 percent and providing that locality pay percentages would remain the same as in 2010-2013. The President subsequently issued an EO putting his alternative pay plan into effect and implementing a 1.0-percent across the board total increase.
2015	1.0	1.0	1.8	1.0	0	The President included a 1.0 percent January 2015 total increase for civilian employees in his budget and issued an alternative pay plan limiting the base General Schedule increase to 1.0 percent and providing that locality pay percentages would

Year	Proposed	Enacted	ECI	GS Base Pay	Locality	Action
						remain the same as in 2010-2014. The President subsequently issued an EO putting his alternative pay plan into effect and implementing a 1.0-percent across the board total increase.
2016	1.3	1.3	2.3	1.0	0.3	The President included a 1.3 percent January 2016 total increase for civilian employees in his budget and issued alternative pay plans limiting the base General Schedule increase to 1 percent and providing locality pay increases costing 0.3 percent of payroll. The President subsequently issued an EO putting his alternative pay plans into effect.
2017	1.6	2.1	2.1	1.0	1.1	The President included a 1.6 percent January 2017 total increase for civilian employees in his budget and issued alternative pay plans limiting the base General Schedule increase to 1 percent and providing locality pay percentages costing 0.6 percent of payroll. However, the President subsequently issued a second alternative pay plan to implement locality pay increases costing 1.1 percent of payroll and providing a 2.1 percent overall average increase. The President subsequently issued an EO putting his alternative pay plans into effect.
2018	1.9	1.9	2.4	1.4	0.5	The President included a 1.9 percent January 2018 total increase for civilian employees in his budget and issued an alternative pay plan limiting the base General Schedule increase to 1.4 percent and providing that locality pay increases would be limited to those costing 0.5 percent of payroll. The President subsequently issued an EO putting his alternative pay plan into effect.
2019	0.0	1.9	2.6	1.4	0.5	The President proposed zero for the base GS and for locality pay increases in his Budget and issued an alternative pay plan to that effect. Congress later included a provision in appropriations legislation for a 1.4 percent base GS increase and locality pay increases costing 0.5 percent of payroll. The President subsequently issued an EO in March 2019 implementing those pay adjustments retroactively to the first day of the first pay period beginning in January 2019.
2020	0.0	3.1	3.1	2.6	0.5	The President proposed zero for the base GS and for locality pay increases in his Budget but then issued an alternative pay plan with a 2.6 percent across-the-board increase and locality pay percentages to remain at 2019 levels. Congress later included a provision in appropriations legislation for a 2.6 percent base GS increase and locality pay increases costing 0.5 percent of payroll. The President subsequently issued an EO in December 2019 implementing those pay adjustments.
2021	1.0	1.0	3.0	1.0	0	The President proposed a 1.0-percent increase for base pay and zero for locality pay increases in his Budget and issued an alternative pay plan to that effect on February 10, 2020. The President issued an EO in December 2020 putting his alternative pay plan into effect.

Year	Proposed	Enacted	ECI	GS Base Pay	Locality	Action
2022	2.7	2.7	2.7	2.2	0.5	The President proposed a 2.2-percent increase for base pay and 0.5 for locality pay increases in his budget and issued an alternative pay plan to that effect on August 27, 2021. The President issued an EO in December 2021 putting his alternative pay plan into effect.
2023	4.6	4.6	4.6	4.1	0.5	The President proposed a 4.1-percent increase for base pay and 0.5 for locality pay increases in his budget and issued an alternative pay plan to that effect on August 31, 2022. The President issued an EO in December 2022 putting his alternative pay plan into effect.

Note: Budget policy does not split pay into base and locality. That decision usually is made in August (if the Administration decides to submit an alternative plan) or in November when the President is required to make the decision on locality pay, if it hasn't been made in August or if Congress subsequently changes the pay raise.