

Federal Salary Council
1900 E Street, NW.
Washington, DC 20415-8200
February 4, 2023

Memorandum for: The President's Pay Agent
Honorable Martin J. Walsh
Honorable Shalanda Young
Honorable Kiran A. Ahuja

Subject: Level of Comparability Payments for January 2024 and
Other Matters Pertaining to the Locality Pay Program

Executive Summary

As authorized by the Federal Employees Pay Comparability Act of 1990 (FEPCA) and detailed below, 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 2024.

Recommendation 1: The Council recommends that the Pay Agent adopt the locality pay rates set forth in Attachment 1 as those that would go into effect under FEPCA in January 2024 absent another provision of law. (An explanation of the salary survey/pay comparison methodology those rates are based on is provided in Attachment 2.)

Recommendation 2: Because no Rest of US research areas meet the standard established by the Council for establishment as new locality pay areas based on pay disparities calculated using data from the NCS/OEWS Model, no new locality pay areas should be established at this time based on such pay disparities.¹

Recommendation 3: The Council reiterates the recommendation it made for 2023 that the Pay Agent establish, as new locality pay areas, Fresno, CA; Reno, NV; Rochester, NY; and Spokane, WA. Those four Rest of US research areas continue to meet the pay disparity criterion for such establishment using data from the salary survey methodology that the Pay Agent has approved for use in the locality pay program. Further, since the Pay Agent tentatively approved this change in its December 2022

¹ 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.

annual report, we recommend the Pay Agent complete the regulatory process required to implement this change as soon as possible.

Recommendation 4: The Council reiterates the recommendation it made for 2023 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. 20-01 as such updates were applied with adoption of OMB Bulletin No. 18-03. Further, since the Pay Agent tentatively approved this change in its December 2022 annual report, we recommend the Pay Agent complete the regulatory process required to implement this change as soon as possible.

Recommendation 5: The Council reiterates the recommendation it made for 2023 that the Pay Agent apply the following criteria in evaluating core-based statistical areas (CBSAs) or counties that are adjacent to the basic locality pay area as potential areas of application:

- For a CBSA (includes single-county CBSAs other than single-county micropolitan areas) adjacent to a basic locality pay area: an employment interchange rate of at least 7.5 percent with the basic locality pay area.
- For a county that is not part of a CBSA or comprises a single-county micropolitan area and is adjacent to a basic locality pay area: an employment interchange rate of at least 20 percent with the basic locality pay area.
- For a county that is adjacent to multiple locality pay areas and does not meet the 20 percent employment interchange threshold with respect to any single locality pay area: a sum of employment interchange rates of at least 20 percent with the adjacent basic locality pay areas. Such a county would be added to the locality pay area with which it has the greatest degree of employment interchange.

Further, since the Pay Agent tentatively approved this change in its December 2022 annual report, we recommend the Pay Agent complete the regulatory process required to implement this change as soon as possible.

Recommendation 6: The Council reiterates the recommendation it made for 2023 regarding specific Rest of US locations completely or almost completely bordered by higher-paying locality pay areas:

- That Emporia City, VA, be included in the Richmond locality pay area as an area of application, because under our proposed criteria for defining locality pay areas Emporia City would otherwise be a Rest of US location completely surrounded by higher locality pay; and

- That the following locations, which under our proposed criteria for defining locality pay areas would otherwise be Rest of US locations bordered only by water and higher-paying locality pay areas, be established as areas of application:
 - ◊ Dukes and Nantucket Counties, MA, which would be included in the Boston locality pay area as areas of application;
 - ◊ Huron County, MI, which would be included in the Detroit locality pay area as an area of application; and
 - ◊ Pacific and San Juan Counties, WA, which would be included in the Seattle locality pay area as areas of application.

Further, since the Pay Agent tentatively approved these changes in its December 2022 annual report, we recommend the Pay Agent complete the regulatory process required to implement them as soon as possible.

Recommendation 7: The Council recommends that Jefferson and Clallam Counties, WA, be added to the Seattle locality pay area as areas of application.

Recommendation 8: The Council recommends continuing to apply the same applicable criteria for all locations throughout the country and not making exceptions on a case-by-case basis to use of such criteria.

List of Attachments

- Attachment 1: FEPCA Locality Rates for 2024
- Attachment 2: Explanation of NCS/OEWS Model and Pay Disparity Calculations
- Attachment 3: Pay Disparities in Rest of US Research Areas
- Attachment 4: Pay Disparities in Tentatively Approved Locality Pay Areas
- Attachment 5: Locations Added to Locality Pay Areas Resulting from CBSA Updates
- Attachment 6: Geographic Structure of Locality Pay Areas
- Attachment 7: Proposed Areas of Application: Multi-County CBSAs
- Attachment 8: Proposed Areas of Application: Single-County CBSAs
- Attachment 9: Proposed Areas of Application: Single Counties
- Attachment 10: Proposed Areas of Application: Locations Adjacent to Multiple Pay Areas
- Attachment 11: Locations that Contacted Council Staff about Locality Pay

Background and Rationale for Council Recommendations

Recommendation 1: The Council recommends that the Pay Agent adopt the locality pay rates set forth in Attachment 1 as those that would go into effect under FEPCA in January 2024 absent another provision of law.²

The Council 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 Pay Agent reports. The BLS survey data cover establishments of all employment sizes.

Based on U.S. Office of Personnel Management (OPM) staff's calculations, in taking a weighted average of the locality pay gaps as of March 2022 using the NCS/OEWS Model, 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 54.23 percent. The amount needed to reduce the pay disparity to 5 percent (the target gap) averages 46.89 percent. Considering existing locality pay rates averaging 24.29 percent, the overall remaining pay disparity is 24.09 percent. The proposed comparability payments for 2024 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 2021 and September 2022, less half a percentage point. The ECI increased 5.2 percent in September 2022, so the base GS increase in 2024 would be 4.7 percent.

Note: The pay disparities for the Corpus Christi, TX, and Palm Bay, FL, locality pay areas are below the Rest of US pay disparity. 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

² In Attachment 1, those locality rates are listed in a table, in the column with the heading "March 2022 Full FEPCA Locality Rate."

recommended for that locality pay area, and the Council continues to monitor the pay disparity for the locality pay area.

Recommendation 2: Because no Rest of US research areas meet the standard established by the Council for establishment as new locality pay areas based on pay disparities calculated using data from the NCS/OEWS Model, no new locality pay areas should be established at this time based on such pay disparities.³

The Working Group is now monitoring pay disparities in 44 Rest of US research areas, excluding the 4 areas recommended for establishment as new locality pay areas in the Council's recommendations for locality pay in 2023. The Working Group studied pay disparities for these areas, compared to the Rest of US pay disparity over the 3-year period 2020-2022, and the results are shown in Attachment 3. Over that period, none of the pay disparities for these research areas exceeded that for the Rest of US locality pay area by 10 percentage points or more on average. Thus, the Working Group recommends no additional Rest of US research areas be established as new locality pay areas for 2024.

Recommendation 3: The Council reiterates the recommendation it made for 2023 that the Pay Agent establish, as new locality pay areas, Fresno, CA; Reno, NV; Rochester, NY; and Spokane, WA. Those four Rest of US research areas continue to meet the pay disparity criterion for such establishment using data from the salary survey methodology that the Pay Agent has approved for use in the locality pay program. Further, since the Pay Agent tentatively approved this change in its December 2022 annual report, we recommend the Pay Agent complete the regulatory process required to implement this change as soon as possible.

As shown in Attachment 4, these four areas (Fresno, CA; Reno, NV; Rochester, NY; and Spokane, WA) continue to meet the pay disparity criterion for such establishment—i.e., a pay disparity criterion exceeding that for the Rest of US by 10 percentage points or more over the most recent 3-year period covered by pay disparity data compiled to date.

Note: Current BLS resources do not allow for the study of pay disparities in all locations throughout the country. However, the Council plans to continue working with BLS to study pay in additional areas in the future to the extent BLS resources permit.

Recommendation 4: The Council reiterates the recommendation it made for 2023 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. 20-01 as such updates were applied with adoption of OMB Bulletin No. 18-03. Further, since the Pay

³ A detailed description of that model is provided in Attachment 2.

Agent tentatively approved this change in its December 2022 annual report, we recommend the Pay Agent complete the regulatory process required to implement this change as soon as possible.

This issue was discussed in detail in the Council's recommendations for locality pay in 2023, and the reader can refer to those recommendations for more background. However, because OPM staff continues to receive requests for the Council to propose departing from such uses of MSA and CSAs as those the Council has recommended, in our discussion here we will repeat some of the background information we previously provided relevant to that issue.

We note that 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.”

The Council can continue to consider stakeholder input on this issue. However, we note that 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.

Recommendation 5: The Council reiterates the recommendation it made for 2023 that the Pay Agent apply the following criteria in evaluating core-based statistical areas (CBSAs) or counties that are adjacent to the basic locality pay area as potential areas of application:

- For a CBSA (includes single-county CBSAs other than single-county micropolitan areas) adjacent to a basic locality pay area: an employment interchange rate of at least 7.5 percent with the basic locality pay area.
- For a county that is not part of a CBSA or comprises a single-county micropolitan area and is adjacent to a basic locality pay area: an employment interchange rate of at least 20 percent with the basic locality pay area.

- For a county that is adjacent to multiple locality pay areas and does not meet the 20 percent employment interchange threshold with respect to any single locality pay area: a sum of employment interchange rates of at least 20 percent with the adjacent basic locality pay areas. Such a county would be added to the locality pay area with which it has the greatest degree of employment interchange.

Further, since the Pay Agent tentatively approved this change in its December 2022 annual report, we recommend the Pay Agent complete the regulatory process required to implement this change as soon as possible.

The criteria tentatively approved by the Pay Agent and the new areas of application that would be established under those criteria are documented in Attachments 6-10. Regarding those attachments—

- Attachment 6 provides detail on the criteria by which locality pay areas are defined and reflects tentatively approved criteria;
- Attachment 7 shows multi-county MSAs, CSAs, and micropolitan areas qualifying as areas of application under tentatively approved criteria;
- Attachment 8 shows single-county CBSAs qualifying as areas of application under tentatively approved criteria;
- Attachment 9 shows counties qualifying as areas of application under tentatively approved criteria for adjacent counties that are not part of a CBSA or comprise a single-county micropolitan area; and
- Attachment 10 shows counties qualifying as areas of application under tentatively approved criteria for single-county locations adjacent to multiple locality pay areas and not qualifying under other tentatively approved criteria as areas of application.

Recommendation 6: The Council reiterates the recommendation it made for 2023 regarding specific Rest of US locations completely or almost completely bordered by higher-paying locality pay areas:

- That Emporia City, VA, be included in the Richmond locality pay area as an area of application, because under our proposed criteria for defining locality pay areas Emporia City would otherwise be a Rest of US location completely surrounded by higher locality pay; and
- That the following locations, which under our proposed criteria for defining locality pay areas would otherwise be Rest of US locations bordered only by water and higher-paying locality pay areas, be established as areas of application:
 - ◊ Dukes and Nantucket Counties, MA, which would be included in the Boston locality pay area as areas of application;
 - ◊ Huron County, MI, which would be included in the Detroit locality pay area as an area of application; and

- ◇ Pacific and San Juan Counties, WA, which would be included in the Seattle locality pay area as areas of application.

Further, since the Pay Agent tentatively approved these changes in its December 2022 annual report, we recommend the Pay Agent complete the regulatory process required to implement them as soon as possible.

Note: The Council is aware that future analysis of additional Rest of US locations that are partially surrounded by higher locality pay may be warranted. However, as discussed below such locations should be evaluated carefully considering such factors as those listed in the following language from the Council’s December 2015 report:

“We still believe it is unclear at what point being bordered by higher-paying areas constitutes a problem. Hence, the Council continues to believe that the Pay Agent should evaluate additional partially surrounded locations on a case-by-case basis, considering such factors as the size of the area, distance to the pay area, transportation facilities among the areas, quit rates, retention rates, and similar factors.”

Members of the public may provide information on such factors to the Council. The Council can study this issue further but should take the time it needs to perform a comprehensive analysis and ensure the same factors are considered for all such locations throughout the country.

Recommendation 7: The Council recommends continuing to apply the same applicable criteria for all locations throughout the country and not making exceptions on a case-by-case basis to use of such criteria.

The Council recommends continuing to apply the same criteria for all locations throughout the country. (If additional partially surrounded locations are evaluated as potential areas of application, such evaluation should cover all similarly situated locations and include application of a common set of factors.) The Council anticipates that it 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 11 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 our recommendations for locality pay in 2023 and 2024 cover, to express concerns about pay levels or the geographic boundaries of locality pay areas.

Some but not all of the locations listed in Attachment 11 would benefit from completion of the regulatory process needed to implement our recommendations. Regarding locations that do not meet the criteria, we note that 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 those flexibilities in the locations of concern. Agency headquarters staff may contact OPM for assistance with understanding and implementing pay and leave flexibilities when appropriate.

Signed

Stephen E. Condrey, Ph.D.
Chairman

Attachment 1

FEPCA Locality Rates for 2024 Using Current Salary Survey Methodology March 2022 NCS/OEWS Pay Disparities and "Full FEPCA" Locality Pay Percentages

Locality Pay Area	March 2022 Base GS Payroll	March 2022 Pay Disparity	March 2022 Full FEPCA Locality Rate	Remaining Pay Disparity
Alaska	\$522,856,881	62.10%	54.38%	5.00%
Albany-Schenectady, NY-MA	\$200,214,980	56.03%	48.60%	5.00%
Albuquerque-Santa Fe-Las Vegas, NM	\$706,674,911	39.63%	32.98%	5.00%
Atlanta--Athens-Clarke County--Sandy Springs, GA-AL	\$2,363,369,870	45.34%	38.42%	5.00%
Austin-Round Rock, TX	\$524,120,166	47.99%	40.94%	5.00%
Birmingham-Hoover-Talladega, AL	\$397,080,600	42.42%	35.64%	5.00%
Boston-Worcester-Providence, MA-RI-NH-ME	\$1,925,215,754	72.64%	64.42%	5.00%
Buffalo-Cheektowaga, NY	\$390,375,315	51.87%	44.64%	5.00%
Burlington-South Burlington, VT	\$228,655,289	49.32%	42.21%	5.00%
Charlotte-Concord, NC-SC	\$266,898,667	48.58%	41.50%	5.00%
Chicago-Naperville, IL-IN-WI	\$1,552,342,340	59.99%	52.37%	5.00%
Cincinnati-Wilmington-Maysville, OH-KY-IN	\$464,198,683	40.16%	33.49%	5.00%
Cleveland-Akron-Canton, OH	\$789,298,861	39.80%	33.14%	5.00%
Colorado Springs, CO	\$555,203,677	48.71%	41.63%	5.00%
Columbus-Marion-Zanesville, OH	\$655,291,317	47.64%	40.61%	5.00%
Corpus Christi-Kingsville-Alice, TX	\$188,838,821	33.66%	28.13%	4.32%
Dallas-Fort Worth, TX-OK	\$1,618,840,590	53.32%	46.02%	5.00%
Davenport-Moline, IA-IL	\$278,988,410	41.12%	34.40%	5.00%
Dayton-Springfield-Sidney, OH	\$616,919,387	47.42%	40.40%	5.00%
Denver-Aurora, CO	\$1,507,749,227	66.92%	58.97%	5.00%
Des Moines-Ames-West Des Moines, IA	\$203,033,715	44.04%	37.18%	5.00%
Detroit-Warren-Ann Arbor, MI	\$1,003,348,762	52.02%	44.78%	5.00%
Fresno, CA (Proposed)	\$323,794,858	46.90%	39.90%	5.00%
Harrisburg-Lebanon, PA	\$427,082,295	44.07%	37.21%	5.00%
Hartford-West Hartford, CT-MA	\$338,894,520	64.42%	56.59%	5.00%
Hawaii	\$1,141,733,476	50.99%	43.80%	5.00%
Houston-The Woodlands, TX	\$1,186,141,657	50.89%	43.70%	5.00%
Huntsville-Decatur-Albertville, AL	\$858,790,102	46.88%	39.89%	5.00%
Indianapolis-Carmel-Muncie, IN	\$732,069,824	35.80%	29.33%	5.00%
Kansas City-Overland Park-Kansas City, MO-KS	\$1,398,764,393	41.87%	35.11%	5.00%
Laredo, TX	\$239,071,562	52.93%	45.65%	5.00%
Las Vegas-Henderson, NV-AZ	\$401,841,674	42.55%	35.76%	5.00%
Los Angeles-Long Beach, CA	\$2,851,757,133	77.63%	69.17%	5.00%
Miami-Fort Lauderdale-Port St. Lucie, FL	\$1,142,796,309	40.89%	34.18%	5.00%
Milwaukee-Racine-Waukesha, WI	\$284,812,496	43.27%	36.45%	5.00%
Minneapolis-St. Paul, MN-WI	\$648,673,527	61.70%	54.00%	5.00%
New York-Newark, NY-NJ-CT-PA	\$3,459,083,497	84.00%	75.24%	5.00%
Omaha-Council Bluffs-Fremont, NE-IA	\$361,639,650	39.39%	32.75%	5.00%

Locality Pay Area	March 2022 Base GS Payroll	March 2022 Pay Disparity	March 2022 Full FEPCA Locality Rate	Remaining Pay Disparity
Palm Bay-Melbourne-Titusville, FL	\$357,807,732	33.60%	28.13%	4.27%
Philadelphia-Reading-Camden, PA-NJ-DE-MD	\$1,962,146,301	61.09%	53.42%	5.00%
Phoenix-Mesa-Scottsdale, AZ	\$743,004,811	49.67%	42.54%	5.00%
Pittsburgh-New Castle-Weirton, PA-OH-WV	\$511,053,749	42.01%	35.25%	5.00%
Portland-Vancouver-Salem, OR-WA	\$830,488,975	57.28%	49.79%	5.00%
Raleigh-Durham-Chapel Hill, NC	\$1,253,943,124	44.88%	37.98%	5.00%
Reno, NV (Proposed)	\$129,980,868	45.48%	38.55%	5.00%
Rest of US	\$27,405,081,284	34.54%	28.13%	5.00%
Richmond, VA	\$709,694,143	47.51%	40.49%	5.00%
Rochester, NY (Proposed)	\$134,070,536	54.56%	47.20%	5.00%
Sacramento-Roseville, CA-NV	\$556,929,518	67.29%	59.32%	5.00%
San Antonio-New Braunfels-Pearsall, TX	\$1,563,928,395	42.55%	35.76%	5.00%
San Diego-Carlsbad, CA	\$1,772,705,702	78.02%	69.54%	5.00%
San Jose-San Francisco-Oakland, CA	\$1,830,671,536	99.21%	89.72%	5.00%
Seattle-Tacoma, WA	\$1,962,726,746	83.29%	74.56%	5.00%
Spokane, WA (Proposed)	\$178,975,987	48.33%	41.27%	5.00%
St. Louis-St. Charles-Farmington, MO-IL	\$886,440,555	45.40%	38.48%	5.00%
Tucson-Nogales, AZ	\$837,936,661	44.27%	37.40%	5.00%
Virginia Beach-Norfolk, VA-NC	\$2,327,578,021	43.54%	36.70%	5.00%
Washington-Baltimore-Arlington, DC-MD-VA-WV-PA	\$24,587,724,875	68.43%	60.41%	5.00%
Total/Averages	\$103,299,352,715	54.23%	46.89%	5.00%

Note: Regarding the 2022 Rest of US pay disparity, in its recommendations for 2023 the Council recommended that four Rest of US research areas (Fresno, CA; Reno, NV; Rochester, NY; and Spokane, WA) be established as separate locality pay areas. Accordingly, the 2022 Rest of US pay disparity used in the Council's recommendations for 2024 (34.92 percent) has been adjusted in a cost-neutral fashion to take the recommended locality payments for the four proposed locality pay areas into account, and the adjusted 2022 Rest of US pay disparity is 34.54 percent.

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 employment¹ 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

¹ Employment weights include employees in the United States and its territories and possessions.

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 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		\$34,728			\$33,387		2				3	\$34,728.00	\$23,106	50.30%
2		\$39,461			\$39,770		7			4	20	\$39,573.36	\$24,547	61.21%
3		\$40,667	\$47,345		\$40,152		42	4		18	92	\$40,939.53	\$28,201	45.17%
4	\$53,029	\$46,902	\$53,271	\$51,522	\$46,360		213	19		68	352	\$47,182.52	\$32,549	44.96%
5	\$59,833	\$54,888	\$57,162	\$55,773	\$49,528	238	852	318	32	1,157	2,659	\$53,242.58	\$35,312	50.78%
6	\$73,531	\$64,775	\$66,637	\$67,387	\$57,772	4	945	773		2,350	4,095	\$61,095.56	\$39,620	54.20%
7	\$76,543	\$71,139	\$75,015	\$75,347	\$66,388	1,585	450	862	1,014	4,505	8,526	\$70,517.58	\$43,950	60.45%
8	\$81,257	\$78,338	\$80,078	\$103,909	\$72,616	20	369	443	1	2,462	3,296	\$74,321.98	\$50,665	46.69%
9	\$89,334	\$81,026	\$90,461	\$85,377	\$84,427	7,584	245	391	1,730	1,955	11,955	\$87,819.21	\$52,962	65.82%
10	\$99,895	\$92,429	\$108,288	\$96,832	\$101,257	642	104	88	14	400	1,248	\$100,266.83	\$59,994	67.13%
11	\$115,389	\$103,575	\$113,697	\$107,247	\$117,348	12,857	14	140	4,073	811	17,910	\$113,602.14	\$63,578	78.68%
12	\$146,156	\$128,193	\$145,744	\$142,278	\$156,324	25,159	13	192	10,409	1,189	36,968	\$145,382.53	\$77,659	87.21%
13	\$168,735		\$190,267	\$169,314	\$200,108	49,371		507	18,218	478	68,582	\$169,266.71	\$93,949	80.17%
14	\$184,115		\$174,024	\$183,972	\$176,954	39,167		475	21,402	117	61,167	\$183,972.89	\$112,632	63.34%
15	\$199,077	\$122,184	\$160,848	\$204,301	\$169,930	18,624	1	160	17,137	16	35,943	\$201,382.74	\$134,992	49.18%
											252,816	\$157,993.85	\$93,802.06	68.43%

Attachment 3

NSC/OEWS Model Pay Disparities 2020-2022 in 44 BLS Research Areas Each Research Area Compared to Rest of US

Area	Area Pay Gaps			Area Pay Gaps Minus Rest of US Pay Gap			
	2020	2021	2022	2020	2021	2022	Average
Asheville, NC	35.71%	37.01%	34.14%	5.73%	5.61%	-0.40%	3.65%
Augusta, GA	30.44%	32.76%	25.59%	0.46%	1.36%	-8.95%	-2.38%
Boise, ID	36.27%	38.74%	37.93%	6.29%	7.34%	3.39%	5.67%
Brownsville, TX	21.17%	17.54%	27.41%	-8.81%	-13.86%	-7.13%	-9.93%
Charleston, SC	36.52%	37.00%	46.18%	6.54%	5.60%	11.64%	7.93%
Charleston, WV	21.33%	22.81%	23.75%	-8.65%	-8.59%	-10.79%	-9.34%
Clarksville, TN	11.50%	15.30%	17.99%	-18.48%	-16.10%	-16.55%	-17.04%
Columbia, SC	27.14%	28.09%	31.50%	-2.84%	-3.31%	-3.04%	-3.06%
Columbus, GA	19.74%	19.46%	22.09%	-10.24%	-11.94%	-12.45%	-11.54%
Crestview, FL	36.94%	37.90%	37.81%	6.96%	6.50%	3.27%	5.58%
Dothan, AL	31.50%	36.50%	31.07%	1.52%	5.10%	-3.47%	1.05%
El Paso, TX	29.23%	29.51%	25.17%	-0.75%	-1.89%	-9.37%	-4.00%
Gainesville, FL	19.34%	23.61%	27.93%	-10.64%	-7.79%	-6.61%	-8.35%
Gulfport, MS	30.84%	31.54%	27.93%	0.86%	0.14%	-6.61%	-1.87%
Jackson, MS	19.87%	21.16%	17.08%	-10.11%	-10.24%	-17.46%	-12.60%
Jacksonville, FL	33.86%	34.30%	34.80%	3.88%	2.90%	0.26%	2.35%
Jacksonville, NC	20.09%	23.68%	23.82%	-9.89%	-7.72%	-10.72%	-9.44%
Kalamazoo, MI	38.01%	37.05%	41.30%	8.03%	5.65%	6.76%	6.81%
Killeen-Temple, TX	28.00%	26.59%	31.35%	-1.98%	-4.81%	-3.19%	-3.33%
Lawton, OK	25.88%	30.02%	23.06%	-4.10%	-1.38%	-11.48%	-5.65%
Lexington, KY	23.03%	23.24%	24.32%	-6.95%	-8.16%	-10.22%	-8.44%
Lincoln, NE	33.36%	31.09%	31.02%	3.38%	-0.31%	-3.52%	-0.15%
Little Rock, AR	16.76%	16.63%	19.14%	-13.22%	-14.77%	-15.40%	-14.46%
Louisville, KY	34.53%	35.13%	36.52%	4.55%	3.73%	1.98%	3.42%
Macon, GA	32.66%	28.99%	28.83%	2.68%	-2.41%	-5.71%	-1.81%
Madison, WI	36.25%	38.45%	42.74%	6.27%	7.05%	8.20%	7.17%
Manhattan, KS	18.95%	19.32%	21.68%	-11.03%	-12.08%	-12.86%	-11.99%
McAllen, TX	17.58%	17.64%	23.27%	-12.40%	-13.76%	-11.27%	-12.48%
Memphis, TN	25.45%	25.77%	28.75%	-4.53%	-5.63%	-5.79%	-5.32%
Montgomery, AL	34.88%	29.40%	32.58%	4.90%	-2.00%	-1.96%	0.31%
Nashville, TN	30.42%	30.41%	37.20%	0.44%	-0.99%	2.66%	0.70%
New Bern, NC	38.74%	35.85%	34.92%	8.76%	4.45%	0.38%	4.53%
New Orleans, LA	35.39%	36.89%	36.74%	5.41%	5.49%	2.20%	4.37%
Oklahoma City, OK	38.08%	38.38%	40.27%	8.10%	6.98%	5.73%	6.94%
Orlando, FL	30.55%	30.76%	35.84%	0.57%	-0.64%	1.30%	0.41%
Parkersburg, WV	32.76%	32.84%	31.16%	2.78%	1.44%	-3.38%	0.28%
Pensacola, FL	18.36%	22.34%	22.96%	-11.62%	-9.06%	-11.58%	-10.75%
Salt Lake City, UT	35.56%	36.57%	40.94%	5.58%	5.17%	6.40%	5.72%
Savannah, GA	25.63%	29.02%	33.82%	-4.35%	-2.38%	-0.72%	-2.48%
Scranton, PA	36.50%	35.71%	34.02%	6.52%	4.31%	-0.52%	3.44%
Shreveport, LA	28.03%	25.53%	30.74%	-1.95%	-5.87%	-3.80%	-3.87%
Tampa, FL	35.65%	37.40%	39.01%	5.67%	6.00%	4.47%	5.38%
Tulsa, OK	36.55%	35.44%	39.02%	6.57%	4.04%	4.48%	5.03%
Yuma, AZ	25.73%	28.67%	28.74%	-4.25%	-2.73%	-5.80%	-4.26%
Rest of US	29.98	31.40%	34.54%	0.00%	0.00%	0.00%	0.00%

Note: Regarding the 2022 Rest of US pay disparity, in its recommendations for 2023 the Council recommended that four Rest of US research areas (Fresno, CA; Reno, NV; Rochester, NY; and Spokane, WA) be established as separate locality pay areas. Accordingly, the 2022 Rest of US pay disparity used in the Council's recommendations for 2024 (34.92 percent) has been adjusted in a cost-neutral fashion to take the recommended locality payments for the four proposed locality pay areas into account, and the adjusted 2022 Rest of US pay disparity is 34.54 percent.

Attachment 4
NCS/OEWS Model Pay Disparities 2020-2022
Rest of US Research Areas Previously Proposed as New Locality Pay Areas

NCS/OEWS Model Pay Gaps 2020-2022
in Four BLS Research Areas
Area Compared to Rest of US

Area	Area Pay Gaps			Area Pay Gaps Minus Rest of US Pay Gap			
	2020	2021	2022	2020	2021	2022	Average
Fresno, CA	40.83%	45.35%	46.90%	10.85%	13.95%	12.36%	12.39%
Reno, NV	47.57%	45.47%	45.48%	17.59%	14.07%	10.94%	14.20%
Rochester, NY	48.73%	49.13%	54.56%	18.75%	17.73%	20.02%	18.83%
Spokane, WA	41.55%	43.20%	48.33%	11.57%	11.80%	13.79%	12.39%
Rest of US	29.98%	31.40%	34.54%	0.00%	0.00%	0.00%	0.00%

Note: Regarding the 2022 Rest of US pay disparity, in its recommendations for 2023 the Council recommended that four Rest of US research areas (Fresno, CA; Reno, NV; Rochester, NY; and Spokane, WA) be established as separate locality pay areas. Accordingly, the 2022 Rest of US pay disparity used in the Council's recommendations for 2024 (34.92 percent) has been adjusted in a cost-neutral fashion to take the recommended locality payments for the four proposed locality pay areas into account, and the adjusted 2022 Rest of US pay disparity is 34.54 percent.

Attachment 5
Locations Added to Locality Pay Areas Resulting from Use of CBSA Updates

Locality Pay Area	Location Added	Added GS Employment
Albuquerque, NM	Mora County, NM	17
Atlanta, GA	Floyd County, GA	71
	Habersham County, GA	21
	Stephens County, GA	17
	Washington County, VT	102
Burlington, VT	Washington County, VT	102
Charlotte, NC	Anson County, NC	2
Cleveland, OH	Wayne County, OH	75
Corpus Christ, TX	Duval County, TX	110
Des Moines, IA	Mahaska County, IA	5
	Marion County, IA	46
Minneapolis, MN	Steele County, MN	2
Phoenix, AZ	Gila County, AZ	161
San Jose, CA	Merced County, CA	436
	Stanislaus County, CA	208
Virginia Beach, VA	Franklin City, VA	0
	Southampton County, VA	11
Washington, DC	Madison County, VA	10
Total GS Employees Impacted		1,294

Attachment 6

Geographic Structure of Locality Pay Areas

Terms Used in Referring to Composition of Locality Pay Areas

This report covers several issues related to the definition of locality pay areas. In discussion of these issues, the terms *basic locality pay area* and *area of application* are used. By way of review, locality pay areas consist of—

- (1) A main core-based statistical area (CBSA) defined by the Office of Management and Budget as a metropolitan statistical area (MSA) or combined statistical area (CSA) and forming the *basic locality pay area*, and
- (2) Where criteria recommended by the Council and approved by the Pay Agent are met, *areas of application*. Areas of application are locations that are adjacent to the basic locality pay area and meet approved criteria for inclusion in the locality pay area.

Criteria for Establishing Areas of Application

Criteria for adding adjacent core-based statistical areas (CBSAs) or single counties to locality pay areas as areas of application are:

- For a CBSA (includes single-county CBSAs other than single-county micropolitan areas) adjacent to a basic locality pay area: an employment interchange rate of at least 7.5 percent with the basic locality pay area.
- For a county that is not part of a CBSA or comprises a single-county micropolitan area and is adjacent to a basic locality pay area: an employment interchange rate of at least 20 percent with the basic locality pay area.
- For a county that is adjacent to multiple locality pay areas and does not meet the 20 percent employment interchange threshold with respect to any single locality pay area: a sum of employment interchange rates of at least 20 percent with the adjacent basic locality pay areas. Such a county would be added to the locality pay area with which it has the greatest degree of employment interchange.

Criteria for evaluating Federal facilities that cross county lines into a separate locality pay area are:

- For Federal facilities that cross locality pay area boundaries: To be included in an adjacent locality pay area, the whole facility must have at least 500 GS employees, with the majority of those employees in the higher-paying locality pay area, or that portion of a Federal facility outside of a higher-paying locality pay area must have at least 750 GS employees, the duty stations of the majority of those employees must be within 10 miles of the separate locality pay area, and a significant number of those employees must commute to work from the higher-paying locality pay area.

Attachment 7
Multi-County CBSAs Proposed as Areas of Application

Pay Area	Multi-County Area	Employment Interchange Rate	Added GS Employment
Atlanta, GA	Columbus-Auburn-Opelika, GA-AL CSA	8.32%	3,912
Birmingham, AL	Tuscaloosa, AL MSA	14.11%	1,263
Boston, MA	Lebanon, NH-VT Micropolitan Area	10.65%	1,046
Charlotte, NC	Hickory-Lenoir-Morganton, NC MSA	15.04%	149
Chicago, IL	Rockford-Freeport-Rochelle, IL CSA	11.94%	239
Cleveland, OH	Mansfield-Ashland-Bucyrus, OH CSA	12.87%	241
Cleveland, OH	Youngstown-Warren, OH-PA CSA	11.29%	921
Dallas, TX	Ardmore, OK Micropolitan Area	11.70%	29
Davenport, IA	Dixon-Sterling, IL CSA	12.86%	31
Dayton, OH	Lima-Van Wert-Celina, OH CSA	10.10%	155
Detroit, MI	Lansing-East Lansing, MI MSA	10.66%	773
Huntsville, AL	Florence-Muscle Shoals, AL MSA	12.55%	103
Indianapolis, IN	Bloomington-Bedford, IN CSA	10.98%	142
Indianapolis, IN	Lafayette-West Lafayette-Frankfort, IN CSA	8.55%	209
Indianapolis, IN	Richmond-Connersville, IN CSA	10.95%	42
Minneapolis, MN	Mankato-New Ulm, MN CSA	12.17%	65
Minneapolis, MN	Rochester-Austin, MN CSA	8.75%	489
Philadelphia, PA	Salisbury-Cambridge, MD-DE CSA (excludes portion already in Washington-Baltimore locality pay area)	9.79%	358
Pittsburgh, PA	Johnstown-Somerset, PA CSA	11.04%	451
Pittsburgh, PA	Wheeling, WV-OH MSA	16.22%	211
Raleigh, NC	Fayetteville, NC MSA (all but Moore County, NC, is already in the Raleigh locality pay area and will remain there).	8.50%	30
Raleigh, NC	Rocky Mount-Wilson-Roanoke Rapids, NC CSA	10.37%	79
San Antonio, TX	Kerrville-Fredericksburg, TX CSA	12.57%	324
Washington, DC	Cumberland, MD-WV MSA	8.26%	327
Total GS Employees Impacted			11,589

Attachment 8
Single-County CBSAs Proposed as Areas of Application

Pay Area	Place Name	Employment Interchange Rate	Single-County MSA	Added GS Employment
Birmingham, AL	Etowah Co. AL	13.45%	Gadsden, AL MSA	111
Detroit, MI	Jackson Co. MI	23.85%	Jackson, MI MSA	57
Milwaukee, WI	Fond du Lac Co. WI	22.64%	Fond du Lac, WI MSA	33
Milwaukee, WI	Sheboygan Co. WI	14.07%	Sheboygan, WI MSA	12
Sacramento, CA	Butte Co. CA	7.68%	Chico, CA MSA	264
Total GS Employees Impacted				477

Attachment 9
Single Counties Proposed as Areas of Application

Pay Area	Place Name	Employment Interchange Rate	OMB Bulletin 20-01 Statistical Area Designation	Added GS Employment
Albany, NY	Greene Co. NY	50.98%	Not in an OMB-defined statistical area	4
Albany, NY	Hamilton Co. NY	37.42%		1
Atlanta, GA	Banks Co. GA	119.87%		1
Atlanta, GA	Cherokee Co. AL	20.09%		4
Atlanta, GA	Cleburne Co. AL	40.23%		19
Atlanta, GA	Elbert Co. GA	22.27%		49
Atlanta, GA	Franklin Co. GA	47.18%		3
Atlanta, GA	Gilmer Co. GA	33.19%		31
Atlanta, GA	Greene Co. GA	36.78%		4
Atlanta, GA	Lumpkin Co. GA	66.87%		40
Atlanta, GA	Putnam Co. GA	32.48%		30
Atlanta, GA	Rabun Co. GA	21.96%		23
Atlanta, GA	Randolph Co. AL	37.27%		5
Atlanta, GA	Taliaferro Co. GA	28.00%		0
Atlanta, GA	White Co. GA	62.01%		2
Austin, TX	Blanco Co. TX	25.99%		26
Austin, TX	Burnet Co. TX	24.43%		16
Austin, TX	Lee Co. TX	30.69%		2
Austin, TX	Milam Co. TX	21.91%		7
Birmingham, AL	Winston Co. AL	31.47%		25
Boston, MA	Carroll Co. NH	27.80%	43	
Boston, MA	Cheshire Co. NH	20.70%	In a single county micropolitan area CBSA, i.e., the Keene, NH Micropolitan Statistical Area	37
Buffalo, NY	Wyoming Co. NY	42.40%	Not in an OMB-defined statistical area	8
Burlington, VT	Addison Co. VT	28.09%		32
Burlington, VT	Lamoille Co. VT	37.93%		2
Charlotte, NC	Chesterfield Co. SC	23.71%		15
Chicago, IL	Iroquois Co. IL	32.84%		4
Chicago, IL	Starke Co. IN	28.41%		9
Cincinnati, OH	Adams Co. OH	37.14%		1
Cincinnati, OH	Carroll Co. KY	25.86%		7
Cincinnati, OH	Fleming Co. KY	25.20%		7
Cincinnati, OH	Highland Co. OH	40.55%		14
Cincinnati, OH	Lewis Co. KY	27.35%		2
Cincinnati, OH	Owen Co. KY	36.72%		0

Pay Area	Place Name	Employment Interchange Rate	OMB Bulletin 20-01 Statistical Area Designation	Added GS Employment
Cincinnati, OH	Ripley Co. IN	61.59%	Not in an OMB-defined statistical area	6
Cincinnati, OH	Robertson Co. KY	32.84%		0
Cincinnati, OH	Switzerland Co. IN	54.19%		2
Cleveland, OH	Holmes Co. OH	38.81%		12
Columbus, OH	Coshocton Co. OH	23.16%	In a single county micropolitan area CBSA, i.e., the Coshocton, OH Micropolitan Statistical Area	12
Columbus, OH	Hardin Co. OH	20.48%	Not in an OMB-defined statistical area	7
Columbus, OH	Morgan Co. OH	34.91%		5
Columbus, OH	Noble Co. OH	41.04%		0
Columbus, OH	Pike Co. OH	36.61%		20
Columbus, OH	Vinton Co. OH	40.01%		3
Corpus Christi, TX	Live Oak Co. TX	31.29%		182
Corpus Christi, TX	Refugio Co. TX	26.47%		5
Dallas, TX	Hill Co. TX	31.87%		20
Dallas, TX	Jack Co. TX	51.68%		3
Dallas, TX	Montague Co. TX	37.13%		5
Dallas, TX	Rains Co. TX	54.09%		0
Dallas, TX	Van Zandt Co. TX	43.73%		7
Davenport, IA	Cedar Co. IA	37.66%		51
Davenport, IA	Jackson Co. IA	27.57%		7
Davenport, IA	Louisa Co. IA	37.28%		29
Denver, CO	Lincoln Co. CO	29.38%		4
Des Moines, IA	Adair Co. IA	35.59%		3
Des Moines, IA	Clarke Co. IA	25.31%		5
Des Moines, IA	Greene Co. IA	26.10%		3
Des Moines, IA	Hamilton Co. IA	25.10%		12
Des Moines, IA	Lucas Co. IA	25.48%		13
Des Moines, IA	Monroe Co. IA	30.48%		8
Des Moines, IA	Poweshiek Co. IA	24.27%		7
Detroit, MI	Sanilac Co. MI	36.45%		5
Detroit, MI	Tuscola Co. MI	24.90%		19
Harrisburg, PA	Juniata Co. PA	31.26%		21
Houston, TX	Colorado Co. TX	36.36%		7
Houston, TX	Grimes Co. TX	38.98%	2	
Houston, TX	Jackson Co. TX	21.64%	6	
Houston, TX	Madison Co. TX	26.00%	1	
Huntsville, AL	Lincoln Co. TN	26.81%	3	

Pay Area	Place Name	Employment Interchange Rate	OMB Bulletin 20-01 Statistical Area Designation	Added GS Employment
Indianapolis, IN	Blackford Co. IN	30.99%	Not in an OMB-defined statistical area	1
Indianapolis, IN	Fountain Co. IN	21.45%		4
Indianapolis, IN	Randolph Co. IN	29.68%		3
Indianapolis, IN	Rush Co. IN	63.32%		1
Indianapolis, IN	Tipton Co. IN	40.67%		1
Kansas City, MO	Anderson Co. KS	41.68%		1
Kansas City, MO	Carroll Co. MO	22.57%		5
Kansas City, MO	Daviess Co. MO	38.06%		4
Kansas City, MO	Gentry Co. MO	21.92%		4
Kansas City, MO	Henry Co. MO	24.69%		13
Kansas City, MO	Holt Co. MO	24.16%		8
Laredo, TX	La Salle Co. TX	20.56%		105
Minneapolis, MN	Kanabec Co. MN	56.15%		7
Minneapolis, MN	Meeker Co. MN	58.58%		12
Minneapolis, MN	Morrison Co. MN	37.31%		188
Minneapolis, MN	Pine Co. MN	32.87%		196
Minneapolis, MN	Polk Co. WI	42.57%		24
Minneapolis, MN	Waseca Co. MN	36.03%		167
New York, NY	Sullivan Co. NY	43.09%		25
New York, NY	Wayne Co. PA	26.08%		361
Omaha, NE	Burt Co. NE	40.95%		1
Omaha, NE	Fremont Co. IA	32.93%		4
Omaha, NE	Shelby Co. IA	27.82%		8
Pittsburgh, PA	Greene Co. PA	52.87%		21
Portland, OR	Wahkiakum Co. WA	49.41%		2
Raleigh, NC	Caswell Co. NC	22.68%		1
Raleigh, NC	Warren Co. NC	55.00%		2
Richmond, VA	Brunswick Co. VA	26.62%		4
Richmond, VA	Essex Co. VA	32.92%		3
Richmond, VA	Greensville Co. VA	23.36%		0
Richmond, VA	Nottoway Co. VA	42.53%		148
Sacramento, CA	Alpine Co. CA	41.04%		0
Sacramento, CA	Amador Co. CA	33.91%		24
Sacramento, CA	Colusa Co. CA	30.46%		20
Sacramento, CA	Sierra Co. CA	24.45%		25
San Antonio, TX	Karnes Co. TX	29.32%		55
San Antonio, TX	McMullen Co. TX	22.53%		1
San Jose, CA	Calaveras Co. CA	29.92%		46

Pay Area	Place Name	Employment Interchange Rate	OMB Bulletin 20-01 Statistical Area Designation	Added GS Employment
Seattle, WA	Grays Harbor Co. WA	21.55%	In a single county micropolitan area CBSA, i.e., the Aberdeen, WA Micropolitan Statistical Area	34
St. Louis, MO	Crawford Co. MO	34.45%	Not in an OMB-defined statistical area	2
St. Louis, MO	Fayette Co. IL	27.72%		4
St. Louis, MO	Gasconade Co. MO	34.02%		1
St. Louis, MO	Greene Co. IL	38.11%		3
St. Louis, MO	Iron Co. MO	33.99%		3
St. Louis, MO	Madison Co. MO	36.47%		4
St. Louis, MO	Montgomery Co. IL	36.25%		27
St. Louis, MO	Montgomery Co. MO	33.24%		7
St. Louis, MO	Pike Co. MO	22.35%		9
St. Louis, MO	Randolph Co. IL	30.55%		10
St. Louis, MO	Ste. Genevieve Co. MO	51.91%		5
St. Louis, MO	Washington Co. IL	52.11%		6
St. Louis, MO	Washington Co. MO	68.47%		32
Virginia Beach, VA	Chowan Co. NC	49.53%		11
Virginia Beach, VA	Hertford Co. NC	21.97%		16
Virginia Beach, VA	Middlesex Co. VA	36.78%		1
Virginia Beach, VA	Surry Co. VA	76.16%		1
Washington, DC	Caroline Co. MD	58.41%		8
Washington, DC	Fulton Co. PA	54.21%		2
Washington, DC	Hardy Co. WV	26.63%		27
Washington, DC	Orange Co. VA	63.79%	15	
Washington, DC	Shenandoah Co. VA	41.31%	51	
Total GS Employees Impacted				2,742

Attachment 10

Locations Adjacent to Multiple Pay Areas Proposed as Areas of Application

Location	Single-County Statistical Area (If Applicable)	Adjacent Locality Pay Areas	Employment Interchange Rates	Recommended Locality Pay Area	Added GS Employment
Clay County, AL		Birmingham and Atlanta	Birmingham, 19.81%; Atlanta, 4.04%	Birmingham	19
Schuylkill County, PA	Pottsville, PA Micropolitan Statistical Area	Philadelphia, Harrisburg, and New York	Philadelphia, 12.85%; Harrisburg, 8.77%; New York, 1.00%	Philadelphia	317
Gonzales County, TX		San Antonio and Austin	San Antonio, 15.58%; Austin, 12.94%	San Antonio	23
Jim Hogg County, TX		Laredo and Corpus Christi	Laredo, 18.82%; Corpus Christi, 16.10%	Laredo	237
Westmoreland County, VA		Washington, DC and Richmond	Washington, DC 37.26%; Richmond, 3.94%	Washington, DC	11
Total GS Employees Impacted					607

Attachment 11
Locations that have Contacted Council Staff Since 10-21-20 Council Meeting

Contacts Regarding Pay Areas Separate from Rest of US

Area	Notes
Albany locality pay area	Concerns were related to pay levels. In the cases of Carlisle Barracks, the San Diego locality pay area, and the Washington-Baltimore locality pay area, received proposals to depart from use of OMB-defined CSAs/MSAs as the basis of locality pay areas.
Austin locality pay area	
Boston locality pay area	
Colorado Springs locality pay area	
Carlisle Barracks within Harrisburg locality pay area	
Las Vegas locality pay area	
Miami locality pay area	
Philadelphia locality pay area	
Portland locality pay area	
Sacramento locality pay area	
San Antonio locality pay area	
San Diego locality pay area	
San Jose locality pay area	
Southern New Jersey Counties within Philadelphia locality pay area	
Washington-Baltimore locality pay area	

Contacts Regarding Locations in Rest of US

Area	Notes
Alamance County, NC (Greensboro, NC, CSA)	Adjacent to the Charlotte and Raleigh basic locality pay areas but does not meet the proposed employment interchange criterion.
Allegany County, MD (Cumberland, MD-WV MSA)	Proposed under a Working Group recommendation to be added to the Washington-Baltimore locality pay area.
Angelina County, TX (Lufkin, TX Micropolitan Area)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Asheville, NC	This potential Rest of US research area does not meet the pay disparity criterion.
Aspen, CO (Pitkin County, CO) (Edwards-Glenwood Springs, CO CSA)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Augusta, GA	This Rest of US research area does not meet the pay disparity criterion.
Augusta-Waterville, ME Micropolitan Area (Kennebec County, ME)	Adjacent to areas of application in Boston locality pay area only. Not evaluated using the NCS/OEWS Model.
Batavia, NY (Rochester, NY)	Rochester, NY is a potential Rest of US research area that would meet the pay disparity criterion.

Area	Notes
Beaumont, TX (Beaumont-Port Arthur, TX MSA)	Adjacent to the Houston basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Boise, ID	This Rest of US research area does not meet the pay disparity criterion.
Bonner County, ID	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Bozeman, MT	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Brazos County, TX (College Station-Bryan, TX MSA)	Adjacent to the Houston basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Carroll County, IL	Pay Agent has tentatively approved adding to Davenport locality pay area.
Central Florida (Bay Pines, Naples, and Orlando and Tampa Rest of US research areas)	None of the locations 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	This Rest of US research area does not meet the pay disparity criterion.
Butte County, CA (Chico, CA MSA)	The Working Group proposes a Council recommendation to include this county in the Sacramento locality pay areas as an area of application.
Clallam and Jefferson Counties, WA	The Working Group proposes a Council recommendation to include these counties in the Seattle locality pay areas as areas of application.
Columbia, MO (Columbia-Moberly-Mexico, MO CSA)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Coos County, NH (Berlin, NH Micropolitan Area)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Douglas and Lane Counties, OR	Part of a single proposal covering both locations. Neither county is evaluated using the NCS/OEWS Model. Douglas County is not adjacent to a basic locality pay area. Lane County is adjacent to the Portland basic locality pay area but does not meet the employment interchange criterion.
Duplin, New Hanover, and Pender Counties, NC	Part of a single proposal covering all three locations. Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
El Paso, TX	This Rest of US research area does not meet the pay disparity criterion.
Flagstaff, AZ	Adjacent to the Phoenix basic locality pay area but does not meet the proposed employment interchange criterion.

Area	Notes
Fresno, CA (including Kings County and Lemoore Naval Air Station, CA)	This Rest of US research area now meets the pay disparity criterion.
Garfield County, CO (Edwards-Glenwood Springs, CO CSA)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Grand County, CO (Grand Lake and Winter Park)	Adjacent to the Denver basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Grand County, UT	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Grand Junction, CO MSA (Mesa County, CO)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Hazelton, WV (Morgantown-Fairmont, WV CSA)	Adjacent to the Pittsburgh basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Herlong, CA (Lassen County)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Hood River County, OR (Hood River, OR Micropolitan Area)	Adjacent to the Portland basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Humboldt County, CA (Eureka-Arcata, CA Micropolitan Area)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Jackson County, OR (Medford-Grants Pass, OR CSA)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Jacksonville, FL	This Rest of US research area does not meet the pay disparity criterion.
Johnson and Linn Counties, IA (Cedar Rapids, IA CSA)	Adjacent to the Davenport basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Kalispell, MT (Flathead County, MT Micropolitan Area)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Karnes County, TX	Proposed under a Working Group recommendation to be added to the San Antonio locality pay area.
Knoxville, TN (Knoxville, TN CSA)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Louisville, KY (Rest of US research area)	This Rest of US research area does not meet the pay disparity criterion. Adjacent to the Indianapolis basic locality pay area but does not meet the proposed employment interchange criterion.
Madison County, VA	Madison County is proposed under a Working Group recommendation to be added to the Washington-Baltimore locality pay area.

Area	Notes
Madison, WI	This Rest of US research area does not meet the pay disparity criterion. Adjacent to the Milwaukee basic locality pay area but does not meet the employment interchange criterion.
Merced County, CA	Proposed under a Working Group recommendation to be added to the San Jose locality pay area.
Myrtle Beach, SC (Myrtle Beach, SC CSA)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Nashville, TN	This Rest of US research area does not meet the pay disparity criterion.
New Orleans, LA	This Rest of US research area does not meet the pay disparity criterion.
Nottoway County, VA	Proposed under a Working Group recommendation to be added to the Richmond locality pay area.
Pacific County, WA	Proposed under a Working Group recommendation to be added to the Seattle locality pay area.
Pine County, MN	Proposed under a Working Group recommendation to be added to the Minneapolis locality pay area.
Reno, NV	This potential Rest of US research area now meets the pay disparity criterion.
Rochester, MN	Proposed under a Working Group recommendation to be added to the Minneapolis locality pay area.
Salt Lake City, UT CSA (including Hill AFB)	This Rest of US research area does not meet the pay disparity criterion.
San Juan County, WA	San Juan is proposed under a Working Group recommendation to be added to the Seattle locality pay area.
Scranton, PA (Lackawanna County, PA)	This potential Rest of US research area does not meet the pay disparity criterion. The Scranton MSA is adjacent to the New York basic locality pay area but does not meet the proposed employment interchange criterion.
Shenandoah National Park, VA (Rest of US locations other than Madison County, VA)	None of the several Rest of US counties comprising this set of locations meets applicable criteria.
Sierra County, CA	Proposed under a Working Group recommendation to be added to the Sacramento locality pay area.
Siskiyou County, CA	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Smith County, TX (Tyler, TX CSA)	Adjacent to the Dallas basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Southeast Idaho (Idaho Falls-Rexburg-Blackfoot, ID CSA)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.

Area	Notes
Spokane, WA	This Rest of US research area now meets the pay disparity criterion.
Stanislaus County, CA	Proposed under a Working Group recommendation to be added to the San Jose locality pay area.
Sussex County, DE (Salisbury, MD-DE CSA)	Proposed under a Working Group recommendation to be added to the Philadelphia locality pay area.
Teton County, WY	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Toledo, OH	Adjacent to the Detroit and Cleveland basic locality pay areas but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Ukiah, CA (Mendocino County, CA)	Adjacent to the San Jose basic locality pay area but does not meet the proposed employment interchange criterion. Not evaluated using the NCS/OEWS Model.
Waseca County, MN	Proposed under a Working Group recommendation to be added to the Minneapolis locality pay area.
Wayne County, PA	Proposed under a Working Group recommendation to be added to the New York locality pay area.
White River Junction, VT (Lebanon, NH-VT Metropolitan Area)	Proposed under a Working Group recommendation to be added to the Boston locality pay area.
Yellowstone National Park (including Teton County, WY)	Not adjacent to an existing basic locality pay area, and not evaluated using the NCS/OEWS Model.
Yuma, AZ	This Rest of US research area does not meet the pay disparity criterion.