

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 531

RIN 3206-AK78

General Schedule Locality Pay Areas

AGENCY: Office of Personnel Management.

ACTION: Proposed rule.

SUMMARY: On behalf of the President's Pay Agent, the Office of Personnel Management is issuing proposed regulations on the locality pay program for General Schedule employees. The proposed regulations would merge the Kansas City, St. Louis, and Orlando locality pay areas with the Rest of U.S. locality pay area; create new locality pay areas for Buffalo, NY; Phoenix, AZ; and Raleigh, NC; add Fannin County, TX, to the Dallas-Fort Worth locality pay area; and make minor changes in the official description of the Los Angeles-Long Beach-Riverside and Washington-Baltimore-Northern Virginia locality pay areas. The new locality pay area definitions would become effective in January 2006.

DATES: We must receive comments on or before August 19, 2005.

ADDRESSES: Send or deliver comments to Donald J. Winstead, Deputy Associate Director for Pay and Performance Policy, Office of Personnel Management, Room 7H31, 1900 E Street, NW., Washington, DC 20415-8200; FAX: (202) 606-4264; or e-mail: *pay-performance-policy@opm.gov*.

FOR FURTHER INFORMATION CONTACT: Allan Hearne, (202) 606-2838; FAX: (202) 606-4264; e-mail: *pay-performance-policy@opm.gov*.

SUPPLEMENTARY INFORMATION: Section 5304 of title 5, United States Code, authorizes locality pay for General Schedule (GS) employees with duty stations in the contiguous United States and the District of Columbia. By law, locality pay is set by comparing GS pay rates with non-Federal pay rates for the same levels of work in each locality pay

area. Non-Federal pay levels are estimated by means of salary surveys conducted by the Bureau of Labor Statistics (BLS). Currently, there are 32 locality pay areas: 31 separate metropolitan locality pay areas and a "Rest of U.S." (RUS) locality pay area that consists of all locations in the contiguous United States that are not part of one of the 31 separate metropolitan locality pay areas.

Section 5304(f) of title 5, United States Code, authorizes the President's Pay Agent (the Secretary of Labor, the Director of the Office of Management and Budget (OMB), and the Director of the Office of Personnel Management (OPM)) to determine locality pay areas. The boundaries of locality pay areas must be based on appropriate factors, which may include local labor market patterns, commuting patterns, and the practices of other employers. The Pay Agent must give thorough consideration to the views and recommendations of the Federal Salary Council, a body composed of experts in the fields of labor relations and pay policy and representatives of Federal employee organizations. The President appoints the members of the Federal Salary Council, which submits annual recommendations to the President's Pay Agent about the locality pay program. Based on recommendations of the Federal Salary Council, we use Metropolitan Statistical Area (MSA) and Combined Statistical Area (CSA) definitions established by the Office of Management and Budget as the basis for locality pay area definitions.

Merging Three Locality Pay Areas With the RUS Locality Pay Area

The Federal Salary Council recommended in 2003 that the Pay Agent merge the Kansas City, St. Louis, and Orlando locality pay areas with the RUS locality pay area in 2005 and ask BLS to reallocate its survey resources to cover other areas. The Council made this recommendation because pay comparisons between General Schedule pay and non-Federal pay show that the overall pay disparity in those areas has been below that for the RUS locality pay area for several years. The RUS area serves as the "base" rate, since it is not reasonable to allow a locality pay rate in a metropolitan area to be below the catch-all RUS area rate that would apply just outside the metropolitan area. The

Council determined that BLS survey resources would be better used in other locations currently in the RUS locality pay area where non-Federal pay levels might warrant higher locality pay and where large numbers of GS employees work. The Pay Agent concurred with this recommendation in its 2003 report to the President, but later requested that the Council review the matter further.

After reviewing more recent salary survey data, the Council recommended in 2004 that the Kansas City, St. Louis, and Orlando locality pay areas be merged with the RUS locality pay area in 2006. The Pay Agent concurred with this recommendation in its 2004 report to the President. This proposed regulation would implement the Council's recommendation by merging the Kansas City, St. Louis, and Orlando locality pay areas with the Rest of U.S. locality pay area in January 2006.

New Locality Pay Areas for 2006

The Council also recommended in 2004 that existing BLS surveys in the Austin, Buffalo, Louisville, Memphis, Phoenix, and Raleigh metropolitan areas be redesigned as full-scale locality pay surveys and that Buffalo, Phoenix, and Raleigh be made separate locality pay areas in 2006. This proposed regulation follows the Council's recommendation and would make Buffalo (Cattaraugus, Erie, and Niagara Counties, NY), Phoenix (Maricopa and Pinal Counties, AZ), and Raleigh (Chatham, Durham, Franklin, Harnett, Johnston, Orange, Person, and Wake Counties, NC) separate locality pay areas in 2006.

The six metropolitan areas listed above each have 2,500 or more GS employees and 375,000 or more non-farm workers in the local economy (a sufficient base for measuring local pay levels). In addition, smaller-scale BLS salary surveys indicated that pay levels in each area were above those found in the RUS locality pay area. For the 2004 review of locality pay, the Pay Agent asked BLS to produce data for these six metropolitan areas (including modeled data as done for the existing locality pay areas) and compared the survey results to base GS rates using its standard locality pay methodology. The Council based its recommendation to add three new locality pay areas in 2006 on pay comparisons showing that Buffalo, Phoenix, and Raleigh each had a Federal/non-Federal pay disparity

significantly higher than the pay disparity in the RUS locality pay area. The pay comparisons for Memphis showed that the pay disparity was less than 1 percentage point above the RUS area pay disparity and that pay disparities in Austin and Louisville were slightly below the RUS area pay disparity. BLS plans to continue work to redesign its salary surveys over the next several years, and the Federal Salary Council and the Pay Agent plan to review data for all six of these areas in the future as additional data become available.

Criteria for Areas of Application Applied to New Locality Pay Areas

Based on the Council's recommendations, the Pay Agent established criteria for evaluating areas adjacent to metropolitan locality pay areas for inclusion in that locality pay area.

The criteria are as follows:

1. *For adjacent MSAs and CSAs:* To be included in an adjacent locality pay area, an adjacent MSA or CSA currently in the RUS locality pay area must have at least 1,500 GS employees and an employment interchange measure of at least 7.5 percent.

2. *For adjacent counties that are not part of a multi-county MSA or CSA:* To be included in an adjacent locality pay area, an adjacent county that is currently in the RUS locality pay area must have at least 400 GS employees and an employment interchange measure of at least 7.5 percent.

3. *For Federal facilities that cross locality pay area boundaries:* To be included in an adjacent locality pay area, 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.

To calculate commuting rates, OPM uses the "Employment Interchange Measure" which is defined by the Bureau of the Census as "the sum of the percentage of employed residents of the smaller entity who work in the larger entity and the percentage of the employment in the smaller entity that is accounted for by workers who reside in the larger entity."

Based on the above criteria, no additional areas would be added to the new Buffalo or Phoenix locality pay areas, and the following additional areas would be included in the new Raleigh locality pay area:

- The Fayetteville, NC, Metropolitan Statistical Area (MSA), consisting of Hoke and Cumberland Counties, NC;
- The Goldsboro, NC, MSA, consisting of Wayne County, NC; and
- The Federal Correctional Complex Butner, NC.

The Federal Correctional Complex Butner, NC

The proposed regulations would include the Federal Correctional Complex Butner, NC, in the new Raleigh locality pay area. Based on information provided by the Wardens of the prison complex, about 1,050 General Schedule employees are stationed at the prison, with an additional 375 to be added in the spring of 2006. The Durham/Granville County line runs through the prison complex. In fact, the county line runs through several of the buildings at the facility, and many employees work in more than one building on a daily basis. Most of the prison land area and buildings are located in Durham County, inside the Raleigh CSA, but the Low Security Institute, with approximately 285 GS employees, is in Granville County, outside of the Raleigh CSA but less than a mile from the county line. Granville County, with approximately 295 GS employees, does not pass the GS employment criterion for including an adjacent county in a higher-paying locality pay area. Likewise, the portion of the prison in Granville County, with 285 GS employees, does not pass the 750 GS employment criterion for including all of a Federal facility in a locality pay area. However, the Pay Agent believes it would not be administratively feasible or desirable to include only part of the prison facility in the new Raleigh locality pay area and proposes to include the entire correctional facility in that area. We request that the Federal Salary Council consider this matter when it meets later this year and will defer a final decision on this matter until after we hear the Council's views.

Changes in Locality Pay Areas Because of Revisions in Metropolitan Statistical Areas

On February 22, 2005, OMB published OMB Bulletin 05-02 updating MSAs. The bulletin adds the Bonham, TX Micropolitan Statistical Area (Fannin County, TX) to the Dallas-Fort Worth, TX CSA, and adds the Culpeper, VA Micropolitan Statistical Area (Culpeper County, VA) to the Washington-Baltimore-Northern Virginia, DC-MD-VA-WV CSA. The Bulletin also changes the name of the Santa Barbara-Santa Maria-Goleta, CA

MSA to the Santa Barbara-Santa Maria, CA MSA.

In keeping with these changes, the proposed regulations would add the Bonham, TX Micropolitan Statistical Area (Fannin County, TX) to the Dallas-Fort Worth, TX locality pay area. Under 5 CFR 531.606, any additions made by OMB in MSA or CSA definitions affecting locality pay areas will result in changes in the affected locality pay area that become effective at the beginning of the next calendar year. Because Culpeper County, VA already is part of the Washington-Baltimore-Northern Virginia locality pay area, the boundaries of the Washington-Baltimore-Northern Virginia area will not change. Finally, we have updated the definition of the Los Angeles-Long Beach-Riverside, CA locality pay area to reflect the new name of the Santa Barbara-Santa Maria, CA MSA.

Impact and Implementation

The Pay Agent plans to implement the changes in locality pay area boundaries, as described above, in January 2006. Overall, the proposed changes in locality pay area boundaries would move about 34,000 GS employees to the RUS locality pay area and move about 25,000 GS employees to a separate metropolitan locality pay area from the RUS locality pay area.

E.O. 12866, Regulatory Review

The Office of Management and Budget has reviewed this rule in accordance with E.O. 12866.

Regulatory Flexibility Act

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

List of Subjects in 5 CFR Part 531

Government employees, Law enforcement officers, Wages.

Office of Personnel Management.

Dan G. Blair,

Acting Director.

Accordingly, OPM is proposing to amend 5 CFR part 531 as follows:

PART 531—PAY UNDER THE GENERAL SCHEDULE

1. The authority citation for part 531 continues to read as follows:

Authority: 5 U.S.C. 5115, 5307, and 5338; sec. 4 of Pub. L. 103-89, 107 Stat. 981; and E.O. 12748, 56 FR 4521, 3 CFR, 1991 Comp., p. 316; Subpart B also issued under 5 U.S.C. 5303(g), 5333, 5334(a), and 7701(b)(2); Subpart C also issued under 5 U.S.C. 5304, 5305, and 5553; sections 302 and 404 of

Federal Employees Pay Comparability Act of 1990 (FEPCA), Pub. L. 101-509, 104 Stat. 1462 and 1466; and section 3(7) of Pub. L. 102-378, 106 Stat. 1356; Subpart D also issued under 5 U.S.C. 5335(g) and 7701(b)(2); Subpart E also issued under 5 U.S.C. 5336; Subpart F also issued under 5 U.S.C. 5304, 5305(g)(1), and 5553; and E.O. 12883, 58 FR 63281, 3 CFR, 1993 Comp., p. 682 and E.O. 13106, 63 FR 68151, 3 CFR, 1998 Comp., p. 224; Subpart G also issued under 5 U.S.C. 5304, 5305, and 5553; section 302 of the FEPCA, Pub. L. 101-509, 104 Stat. 1462; and E.O. 12786, 56 FR 67453, 3 CFR, 1991 Comp., p. 376.

Subpart F—Locality-Based Comparability Payments

1. In § 531.603, paragraph (b) is revised to read as follows:

§ 531.603 Locality pay areas.

* * * * *

(b) The following are locality pay areas for purposes of this subpart:

(1) Atlanta-Sandy Springs-Gainesville, GA-AL—consisting of the Atlanta-Sandy Springs-Gainesville, GA-AL CSA;

(2) Boston-Worcester-Manchester, MA-NH-ME-RI—consisting of the Boston-Worcester-Manchester, MA-NH CSA, plus the Providence-New Bedford-Fall River, RI-MA MSA, Barnstable County, MA, and Berwick, Eliot, Kittery, South Berwick, and York towns in York County, ME;

(3) Buffalo-Niagara-Cattaraugus, NY—consisting of the Buffalo-Niagara-Cattaraugus, NY Combined Statistical Area;

(4) Chicago-Naperville-Michigan City, IL-IN-WI—consisting of the Chicago-Naperville-Michigan City, IL-IN-WI CSA;

(5) Cincinnati-Middletown-Wilmington, OH-KY-IN—consisting of the Cincinnati-Middletown-Wilmington, OH-KY-IN CSA;

(6) Cleveland-Akron-Elyria, OH—consisting of the Cleveland-Akron-Elyria, OH CSA;

(7) Columbus-Marion-Chillicothe, OH—consisting of the Columbus-Marion-Chillicothe, OH CSA;

(8) Dallas-Fort Worth, TX—consisting of the Dallas-Fort Worth, TX CSA;

(9) Dayton-Springfield-Greenville, OH—consisting of the Dayton-Springfield-Greenville, OH CSA;

(10) Denver-Aurora-Boulder, CO—consisting of the Denver-Aurora-Boulder, CO CSA, plus the Ft. Collins-Loveland, CO MSA and Weld County, CO;

(11) Detroit-Warren-Flint, MI—consisting of the Detroit-Warren-Flint, MI CSA, plus Lenawee County, MI;

(12) Hartford-West Hartford-Willimantic, CT-MA—consisting of the Hartford-West Hartford-Willimantic, CT

CSA, plus the Springfield, MA MSA and New London County, CT;

(13) Houston-Baytown-Huntsville, TX—consisting of the Houston-Baytown-Huntsville, TX CSA;

(14) Huntsville-Decatur, AL—consisting of the Huntsville-Decatur, AL CSA;

(15) Indianapolis-Anderson-Columbus, IN—consisting of the Indianapolis-Anderson-Columbus, IN CSA, plus Grant County, IN;

(16) Los Angeles-Long Beach-Riverside, CA—consisting of the Los Angeles-Long Beach-Riverside, CA CSA, plus the Santa Barbara-Santa Maria, CA MSA and all of Edwards Air Force Base, CA;

(17) Miami-Fort Lauderdale-Miami Beach, FL—consisting of the Miami-Fort Lauderdale-Miami Beach, FL MSA, plus Monroe County, FL;

(18) Milwaukee-Racine-Waukesha, WI—consisting of the Milwaukee-Racine-Waukesha, WI CSA;

(19) Minneapolis-St. Paul-St. Cloud, MN-WI—consisting of the Minneapolis-St. Paul-St. Cloud, MN-WI CSA;

(20) New York-Newark-Bridgeport, NY-NJ-CT-PA—consisting of the New York-Newark-Bridgeport, NY-NJ-CT-PA CSA, plus Monroe County, PA, and Warren County, NJ;

(21) Philadelphia-Camden-Vineland, PA-NJ-DE-MD—consisting of the Philadelphia-Camden-Vineland, PA-NJ-DE-MD CSA, plus Kent County, DE, Atlantic County, NJ, and Cape May County, NJ;

(22) Phoenix-Mesa-Scottsdale, AZ—consisting of the Phoenix-Mesa-Scottsdale, AZ Metropolitan Statistical Area;

(23) Pittsburgh-New Castle, PA—consisting of the Pittsburgh-New Castle, PA CSA;

(24) Portland-Vancouver-Beaverton, OR-WA—consisting of the Portland-Vancouver-Beaverton, OR-WA MSA, plus Marion County, OR, and Polk County, OR;

(25) Raleigh-Durham-Cary, NC—consisting of the Raleigh-Durham-Cary, NC Combined Statistical Area, plus the Fayetteville, NC Metropolitan Statistical Area, the Goldsboro, NC Metropolitan Statistical Area, and the Federal Correctional Complex Butner, NC;

(26) Richmond, VA—consisting of the Richmond, VA MSA;

(27) Sacramento—Arden—Arcade—Truckee, CA-NV—consisting of the Sacramento—Arden—Arcade—Truckee, CA-NV CSA, plus Carson City, NV;

(28) San Diego-Carlsbad-San Marcos, CA—consisting of the San Diego-Carlsbad-San Marcos, CA MSA;

(29) San Jose-San Francisco-Oakland, CA—consisting of the San Jose-San

Francisco-Oakland, CA CSA, plus the Salinas, CA MSA and San Joaquin County, CA;

(30) Seattle-Tacoma-Olympia, WA—consisting of the Seattle-Tacoma-Olympia, WA CSA;

(31) Washington-Baltimore-Northern Virginia, DC-MD-VA-WV—consisting of the Washington-Baltimore-Northern Virginia, DC-MD-VA-WV CSA, plus the Hagerstown-Martinsburg, MD-WV MSA, and King George County, VA; and

(32) Rest of U.S.—consisting of those portions of the continental United States not located within another locality pay area.

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[FR Doc. 05-12033 Filed 6-17-05; 8:45 am]

BILLING CODE 6325-39-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2005-21410; Directorate Identifier 2005-CE-31-AD]

RIN 2120-AA64

Airworthiness Directives; Raytheon Aircraft Company Model 390 Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for certain Raytheon Aircraft Company (Raytheon) Model 390 airplanes. This proposed AD would require you to replace the rudder pedal arm assemblies used in the rudder control system with parts of improved design. This proposed AD results from reports of cracks found on the rudder pedal arm assemblies. We are issuing this proposed AD to prevent failure of the rudder pedal arm assemblies caused by fatigue cracks. This failure could lead to loss of rudder control, loss of nose gear steering, and loss of toe brakes on the side on which the failure occurs.

DATES: We must receive any comments on this proposed AD by August 19, 2005.

ADDRESSES: Use one of the following to submit comments on this proposed AD:

- **DOT Docket Web site:** Go to <http://dms.dot.gov> and follow the instructions for sending your comments electronically.

- **Government-wide rulemaking Web site:** Go to <http://www.regulations.gov> and follow the instructions for sending your comments electronically.