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# United States Senate

WASHINGTON, DC 20510

September 25, 2024

The Honorable Shalanda Young  
Director  
Office of Management and Budget  
1650 17th Street NW  
Washington, DC 20500

Dear Director Young:

I write to you urging swift action on the Office of Personnel Management's (OPM) rulemaking proposal to harmonize locality pay areas for hourly and salaried federal workers.<sup>1</sup> This proposal has strong interagency and congressional support and is critical to improved military readiness and fairness across the federal workforce.

For more than 15 years, the Federal Prevailing Rate Advisory Committee (FPRAC) has grappled with the issue of inconsistent locality boundaries between the Federal Wage System (FWS), which determines the pay of hourly Wage Grade (WG) employees, and the General Schedule (GS) pay scale, which determines the pay of salaried GS employees. I understand that OPM submitted a draft rule to your office that would resolve this problem.<sup>2</sup>

OPM developed its proposed rule based on a December 2023 Federal Prevailing Rate Advisory Committee (FPRAC) recommendation, which the Committee adopted by a 9-1 vote supported by representatives of both federal labor and management. Prior to the vote, FPRAC completed a thorough study of the issue grounded in "solid data and strong evidence" from the Department of Defense and OPM.<sup>3</sup> Since the vote, I have confirmed support for the regulation from key departments, including OPM, the Department of the Defense, and the Department of the Army.

Despite this robust interagency support, I continue to have concerns about the pace of the regulation's development. It took OPM seven months to write and submit the proposed rule after the FPRAC vote. The proposed rule's planned 60-day public comment period will not begin until sometime in October.<sup>4</sup> Assuming that period begins in *early* October, OPM will have only a couple weeks in December to respond to and incorporate public comments and any further interagency feedback before the rule is further delayed during the upcoming presidential transition.

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<sup>1</sup> *Prevailing Rate Systems: Change in Criteria for Defining Appropriated Fund Federal Wage System Wage Areas*, OFFICE OF INFORMATION AND REGULATORY AFFAIRS (Sep. 25, 2024), <https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202404&RIN=3206-AO69>.

<sup>2</sup> *Id.*

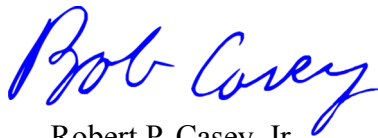
<sup>3</sup> *649th FPRAC Meeting*, FEDERAL PREVAILING RATE ADVISORY COMMITTEE (Dec. 21, 2023), <https://www.opm.gov/policy-data-oversight/pay-leave/pay-systems/federal-wage-system/federal-prevailing-rate-advisory-committee/meetingtranscript649.pdf>.

<sup>4</sup> *Prevailing Rate Systems*, *supra* note 1.

I ask that you prioritize this rule and act swiftly to move the proposed regulation through the rulemaking process. Revising 5 CFR § 532.211 will enable the federal government to compete with the private sector for the skilled tradesmen and women serving in critical government functions all across the country. OPM's proposed regulation will enhance military readiness during a time of global turmoil and establish fairness for the federal workforce, overcoming years of division that has undermined the sense of fairness and equity between the two major pay systems.

Thank you for your consideration of my concerns.

Sincerely,



Robert P. Casey, Jr.  
United States Senator

CC: The Honorable Rob Shriver, Director (Acting), Office of Personnel Management