

The National Council of Social Security Management Associations, Inc.

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• **Congressional Action Related to Locality Pay**

The amendment below regarding locality pay was passed late on Thursday night. Rep. Sam Farr (D-CA) offered this amendment to the Transportation and Treasury and Independent Agencies Appropriations bill (H.R. 2989) on the House floor. The amendment was passed. The bill has not yet been on the floor of the Senate, and the Senate version does not contain a similar locality provision at this time. If included in the final legislation, this language would address the concerns we have heard from NCSSMA members regarding the retention of current locality pay areas while allowing the addition of new locality pay areas.

***Congressional Record* page H7920, September 4, 2003 (amends H.R. 2989, Transportation and Treasury and Independent Agencies Appropriations bill)**

AMENDMENT OFFERED BY MR. FARR (D-CA):

Mr. FARR. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.
The text of the amendment is as follows:

Amendment offered by Mr. *Farr*:

Page 157, after line 2, insert the following:

SEC. 742. It is the sense of the Congress that none of the funds made available in this Act should be used to disestablish any pay locality (as defined by section 5302 of title 5, United States Code).

The CHAIRMAN pro tempore. Pursuant to the order of the House of today, the gentleman from California (Mr. *Farr*) and a Member opposed each will control 5 minutes.
The Chair recognizes the gentleman from California (Mr. *Farr*).

Mr. FARR:

“Mr. Chairman, I yield myself such time as I may consume. I would like to thank Chairman **ISTOOK** and Ranking Member **OLVER** for accepting my sense of Congress amendment. Let me just quickly explain what it does. Every 10 years after the national census is taken, the Office of Management and Budget redefines and redesignates metropolitan statistical areas, known as MSAs. Then the Office of Personnel Management uses those MSA definitions to overlay their own geographic boundaries for so-called locality pay areas.

This year the Office of Management and Budget came out with new definitions in June, but they radically changed their methodology to a point where the Office of Personnel Management said that the Office of Management and Budget definitions no longer were usable for purposes of determining locality pay boundaries. The Office of Personnel Management has begun the process of determining how to draw locality pay boundaries. The agency is more or less under the gun to do so by this October 7 so as to have this decided by the 2005 budget cycle. But the Office of Personnel Management held its first hearing on the issue only yesterday, September 3. The issue is too complex and too sensitive to figure out in a month. Thousands of Federal employee paychecks and consequently Federal agency missions hang in the balance.

My amendment essentially states that Congress believes current locality pay areas should be held harmless over the next year. We ask that OPM not eliminate any current locality pay area, but we do not object to OPM adding any new areas. In the interim, the Office of Personnel Management has time to do the research right and to draw up a fair and defensible plan for locality pay boundary designations.”

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