



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

JUL 30 2008

Strategic Human
Resources Policy
Division

The Honorable Ileana Ros-Lehtinen
U.S. House of Representatives
Washington, DC 20515-0918

Dear Representative Ros-Lehtinen:

Thank you for your letter on behalf of Mr. Joseph R. Kisonas about pay for Federal police employed by the Department of the Navy in the Florida Keys. As explained below, we have no plans to increase locality pay or special rates for Federal police employed in the Keys.

Locality pay is based on the cost of labor in each locality pay area. Living costs are not considered in setting locality pay. Under the statute (5 U.S.C. 5302 and 5304), we must use salary surveys of non-Federal pay conducted by the Bureau of Labor Statistics (BLS) to set locality pay. Since BLS cannot conduct extensive salary surveys in all the many areas where Federal employees work, we have 31 separate metropolitan locality pay areas and all other locations in the lower 48 States are included in the Rest of U.S. locality pay area. Key West does not have a large enough employment base or enough General Schedule employees to warrant a separate locality pay survey. However, the Florida Keys are included as part of the nearby Miami locality pay area. BLS conducts a salary survey of the Miami area each year and locality rates are adjusted annually.

Special rates for police approved by the Office of Personnel Management (OPM) are based on a general assessment of the labor market in each locality pay area. Pay levels are higher in other locality pay areas such as San Francisco (table 983U) and San Diego (table 983R) than in Miami, so the special rates authorized for Federal police are also higher. Agencies may request higher special rates if they experience or anticipate serious recruitment or retention problems in the Keys. The Headquarters of the Department of the Navy has not indicated they are facing serious recruitment or retention problems in the Keys.

Finally, each agency determines the grade level of its positions by applying uniform classification standards administered by OPM. Questions about grade levels assigned to various positions should be addressed by Mr. Kisonas' Human Resources Office.

I appreciate the opportunity to respond to your interest in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles D. Grimes III".

Charles D. Grimes III
Deputy Associate Director