

# Federal Prevailing Rate Advisory Committee 650th FPRAC

Janice R. Lachance, Chair, Presiding

Thursday, February 15, 2023

Virtual Meeting via Microsoft Teams  
Office of Personnel Management  
Washington, D.C. 20415

## Attendance

### Members/Alternates:

#### Management Members:

Mark Allen, OPM  
Nancy Anderson Speight, DoD  
Kimberly Eidson, Air Force  
Brandon Anderson, Navy  
Sheila Willis, VA

#### Labor Members:

Jacqueline Simon, AFGE  
Paul O'Connor, Metal Trades  
Carissa Carmack, NAGE  
Patrick Straka, ACT

### Staff Specialists and Visitors:

Brenda Roberts, Designated Federal Officer, OPM  
Ana Paunoiu, OPM  
Samantha Bono, OPM  
Christopher Lynch, DoD  
Karl Fendt, DoD  
Christine Wlezien, DoD  
Kieu Nguyen, DoD  
Erica Abiera, DoD  
Jerry Dollente, DoD  
Angelica Novegil, DoD  
Mandy Laughlin, Army  
Peter Huan, Navy  
Cynthia Bell, VA  
Ralph Reels, VA

Mechelle Muthuveeran (DOI)

Sharon Kwon (OPM)

Gary Pugh, DHS

Derek Hughes, DHS

LCDR Dan Pullium, Naval Support Activity Monterey

Ned George, Tobyhanna Army Depot

Brenda Fiorani, Tobyhanna Army Depot

Recording Secretary:

Mike Eicher, OPM

[Transcript prepared from digital audio produced by FPRAC.]

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## I. Opening Announcements and Introductions

### a. Introductions

### b. Announcement

- Fiscal Year 2024 Prevailing Rate Pay Adjustments, 650-OPM-1
- Update on the Federal Prevailing Rate Advisory Committee December 21, 2023 Recommendation to Amend Section 532.211

Chair Lachance: Thank you all for joining us, and Happy New Year. Our first meeting of the year, it's pretty exciting. It is the 650th meeting of the Federal Prevailing Rate Advisory Committee. I don't know if that's worth celebrating in any way, but it's an interesting fact. It is February 15th, and the time is now 10:02 a.m.

We are continuing to hold our meetings virtually, and it will be recorded, as usual. You will receive a verbatim transcript, and it will be provided to all members for your review at the next meeting.

Just for the record, my name is Janice Lachance, and I'm privileged to chair this committee. We want to start with introductions so that we have an accurate listing of who is in our meeting. Let's start with our colleagues in Labor, so Metal Trades.

Mr. O'Connor: Paul O'Connor.

Chair Lachance: AFGE?

Ms. Simon: Jacque Simon.

Chair Lachance: NAGE?

[No audible response.]

Chair Lachance: Okay. ACT?

Mr. Straka: Patrick Straka. Good morning.

Chair Lachance: Good morning. We'll switch over to our Management colleagues. OPM?

Mr. Allen: This is Mark Allen representing the OPM staff.

Chair Lachance: DoD?

Ms. Speight: Nancy Speight, Civilian Personnel Policy.

Chair Lachance: Great.

Mr. Lynch: Also, Chris Lynch is also on the phone.

Chair Lachance: Great. Thank you, Chris. Army?

Ms. Laughlin: Good morning. This is Mandy Laughlin with Army.

Chair Lachance: Navy?

Mr. Anderson: Brandon Anderson for Navy.

Chair Lachance: Thank you. VA?

Ms. Willis: Good morning for VA. Sheila Willis, and I also have Ralph Reels and Cynthia Bell with us as well.

Chair Lachance: Great. Thank you. And we have Brenda Roberts here with us in person as the Designated Federal Official under the Federal Advisory Committee Act.

Could the staff who's on the call please introduce themselves?

Ms. Paunoiu: Good morning. This is Ana Paunoiu, OPM.

Ms. Bono: This is Samantha Bono, OPM.

Mr. Eicher: Mike Eicher, OPM.

Chair Lachance: Great. Any other staff?

Ms. Kwon: This is Sharon Kwon with CLIA at OPM.

Chair Lachance: Great, Sharon. Thanks for being here.

Mr. Fendt: Karl Fendt, DoD, and we have various DoD staff members that we shared with on earlier.

Chair Lachance: Thank you, Karl. You're always on top of that. I appreciate it. Any other staff?

[No audible response.]

Chair Lachance: It's great to have all of you.

Ms. Paunoiu: There's one phone number that I don't recognize, and if you could please identify yourself. Area code is 831.

Mr. Huan: Yeah. Hi. This is Peter Huan in Navy. I'm just listening in.

Ms. Paunoiu: Thank you.

Chair Lachance: Great. Welcome. And I know we have people who have registered to listen in, and could you introduce yourselves? I see Ned George on the call. Welcome.

Mr. George: Hello. My name is Ned George. I'm the president of AFGE Local 1647 at Tobyhanna Army Depot. Thank you for having me.

Chair Lachance: Great. Anyone else? We have a couple more people registered, including perhaps a reporter from the Federal Times. Were you able to get on the call?

[No audible response.]

Chair Lachance: Okay. Anyone else we haven't covered?

LCDR Pullium: I'm Lieutenant Commander Dan Pulliam. I'm the Public Works Officer for Enable Support Activity Monterey.

Ms. Muthuveeran: Good morning. This is Michelle Muthuveeran, Department of the Interior.

Chair Lachance: Thank you. Welcome.

Mr. Pugh: Good morning. This is Gary Pugh from DHS, and I'm here with Derek Hughes.

Chair Lachance: Great. Thank you very much.

Ms. Eidson: This is Kimberly Eidson for Air Force.

Chair Lachance: Thank you.

It's great to have everybody. Thank you so much.

We do have one announcement on the agenda for this morning. On December 22nd, 2023, OPM released the Fiscal Year 2024 Prevailing Rate Pay Adjustments Memorandum, and that is presented in our records as FPRAC Document 650-OPM-1. I'm wondering if perhaps Mark could give everybody a little bit of background on this, particularly for our guests who might not be familiar with it.

Mr. Allen: Sure. Yeah. So this is a standard memorandum that OPM issues to provide guidance to agencies on how to properly implement Prevailing Rate Pay Adjustments each fiscal year.

So in this case, what we're looking at here is an implementation of the average 5.2 percent annual adjustment that President Biden implemented through his Alternative Plan Authority for the General Schedule workforce, and there's a provision still contained each year in appropriations law that sets a cap on the maximum amount of increases for Federal Wage System employees, and for FY24, that pay cap is 5.26 percent. And there's also a continuing floor increase that guarantees that Federal Wage

System employees receive the same percentage adjustment that GS employees receive where they work.

So an example of that is that the lowest floor increase was 4.99 percent, which is below the pay cap of 5.26 percent, and I believe the highest GS increase and the highest floor increase amount was 5.70 percent. And then for the rest of the document, it just lays out coverage for special schedules, special rates, and that sort of thing in the attachments.

There's not really anything new in this other than that the amounts change and change significantly this year, some of the biggest increases in decades.

Chair Lachance: Good news. Are there any questions or comments about this?

[No audible response.]

Chair Lachance: Okay. Hearing none, we can move on to the next update that we'd like to offer, and that's about the recommendation that this committee made in December that OPM change the regulatory criteria for defining and maintaining FWS wage areas. Mark can walk us through what's happened since we met and made that recommendation and where we are today.

Mr. Allen: Okay. So, yeah, the OPM staff took the FRAC recommendation back in December and started immediately working on it to figure out how to put the recommendation into regulatory language. What would need to happen to implement the recommendation is—it's not just changing the regulatory criteria, which we recommended. We would also have to issue new geographic definitions for most of the wage areas.

So right now I have an initial draft that I'm looking at that stretches to about 200



pages. So there's an enormous amount of work that's gone into this so far, and we're going to continue working diligently to present it to the Director of OPM once it's in its final format. It's got to go through clearance internally. I don't have a time frame for when it's going to move beyond my office, but we'll do it as soon as we can.

Chair Lachance: Any questions or comments for Mark on that?

Ms. Simon: Thank you, Mark. If AFGE can be of any assistance, please let me know.

Mr. Allen: Thank you.

Chair Lachance: That's great to know Jacque. Thank you so much.

Paul?

Mr. O'Connor: Yeah. I have a question, and yeah, thank you for your work there, Mark.

Is there any point moving forward where Labor will be involved other than at the FPRAC meeting? I mean in the process of adopting or not adopting the recommendations at OPM.

Mr. Allen: In the process of drafting the regulations and sending them to the Director, no. But after the Director would receive—I can't really speak necessarily for what the Director would entertain, but I think she would probably be open to receiving input from anybody about what the status of the regulatory changes would be. I can't really say anything more than that.

Mr. O'Connor: All right. Thank you. And, you know, like Jacque said, if we can be of any help at Metal Trades, just let us know. Let me know.

Mr. Allen: I appreciate it. Thank you.

Mr. O'Connor: You're welcome.

Chair Lachance: Great. Any other comments or questions?

[No audible response.]

Chair Lachance: Great. Thank you.

Ms. Simon: Excuse me. Ned, did you want to speak to this proposal? I mean, I know that OPM is already working hard to put it into regulatory language and recommend the new boundaries, but I think Ned wanted to just address the group. This might be a good time, given that it's on this topic.

Chair Lachance: That's great, and, Ned, I now see your hand up. And I'm sorry if it was up earlier and I missed it. It's a very big screen, and they're all small hands, so apologies.

Mr. George: No, ma'am, it wasn't. I raised it as Ms. Simon was speaking.

Chair Lachance: Okay. You just snuck it in on me to make me feel badly.

Mr. George: I just wanted to make sure I was following protocol to make sure my hand was raised when to speak.

I would like to thank yourself and the committee for your willingness to take on these issues of the equity between our GS workers and our WS workers—I'm sorry—our WG workers and our GS workers at Tobyhanna. For us, the inequities are right in our faces every day. We commute together, and sometimes it's in the same car. We park in the same parking lots. Our kids go to the same schools. Our neighbors get on the same buses into New York City, yet the government treats us as though we live in different labor markets.

We know that private-sector companies that have pay systems that provide

different wages and salaries depending on—excuse me—depending on where the people work don't discriminate between those who are paid an hourly rate versus those who are paid an annual salary.

The WG employees at Tobyhanna are no less professional. We are no less skilled, and we are no less deserving than our GS co-workers. Sometimes people try to say that the labor market for skilled trades is more local than white collar. They think that people in the skilled trades don't commute far distance to their jobs. White collar workers are willing to sign on to jobs with longer commutes. Nothing can be further from the truth. People in our skilled trades—the people that we'd like to recruit and retain at Tobyhanna are willing to drive all the way to New York City or take buses all that way because the pay is higher. We are all in the same local labor market, and everybody in our region considers jobs in the New York area when they're thinking of switching jobs or getting their first jobs.

If there's any questions that I can answer at this time, I'm more willing to ask them. I appreciate the committee for meeting, and hopefully you can help us with our long-standing inequity. Thank you.

Chair Lachance: Thank you, Mr. George. We appreciate hearing from you and the time you're taking to be here with us.

Mr. O'Connor: Ned, that was well said. Thank you very much.

Mr. George: Thank you, Mr. O'Connor. Thank you, everyone.

Chair Lachance: Are there any questions or comments following up on Mr. George's statement?

[No audible response.]

Chair Lachance: We can move on to the next item on our agenda, and that is to review the transcript of the last public meeting, which was held—

Unidentified Speaker: We have a hand up.

Chair Lachance: I'm sorry.

Unidentified Speaker: Ms. Laughlin?

Chair Lachance: Sure.

Ms. Laughlin: Hi, Ms. Lachance. Hi. This is Mandy. Just a quick question. I tried to jump in there before, but I was not successful, so apologies.

Chair Lachance: It's hard to identify who's ready to speak.

Ms. Laughlin: Oh, no, no, no. That's fine.

When Mark was answering the question to Paul, I believe, I wanted just to make sure that I captured that correctly. I think he said that after the OPM Director received and reviewed the new definitions or the implementation, that he believes that they would be open to anyone about what the regulatory changes would be? Did I capture that correctly?

Mr. Allen: Once OPM makes a decision to move forward with a proposed regulation, OPM would send it formally to the Office of Information and Regulatory Affairs at OMB and then would be within that whole process that every federal agency has to follow for issuing regulations.

What I was referring to is that in that intervening period between when the Director would receive the recommendation and a draft regulation and when she would make a decision on it, that I believe she would be open to hearing from anybody about—

Ms. Laughlin: Okay.

Mr. Allen: Let's say Army wanted to get in touch with OPM about the status.

Then I think anybody is welcome to do that.

Ms. Laughlin: Okay. Thank you so much, Mark. I appreciate it.

Mr. Allen: You're welcome.

Chair Lachance: She will have the minority report.

And just for the record, as you all know, Army did file a minority report that will go to the Director as part of her decision packet.

Ms. Speight: Thank you.

Chair Lachance: Sure. Paul?

Mr. O'Connor: Another question. When will we know when that time comes for us to reach out with a statement?

Mr. Allen: I would say probably the best opportunity for that is one of the public FRAC meetings. I tend to keep everybody informed about where things are to the degree that I can. Our next public meeting is third Thursday in March.

Mr. O'Connor: Okay.

Mr. Allen: If something is happening before then, we can reach out to everybody and let everybody know what's going on.

Mr. O'Connor: Right. Thank you.

Ms. Speight: This is Nancy Speight.

Chair Lachance: Thank you, Nancy.

Ms. Speight: I have two questions to follow up on this just to make sure we're all on the same page. The comments that go into the transcript of the last meeting are not

made—are they made part of the record that goes to Director Ahuja as well as the minority report that Army filed, or that's different? That's the first question.

Mr. Allen: OPM develops a verbatim transcript, and that transcript will be made available to the Director.

Ms. Speight: Okay. Secondly, just to make sure I'm clear, because my experience with publishing proposed regs in the Federal Register allows all parties to respond to the proposed reg, is that to include unions and any other interested parties as well as agencies? Is that correct?

Mr. Allen: Yes, that's correct. It would include anybody including private citizens, employees. Anybody could weigh in on a regulation and any regulation basically.

Ms. Speight: So they all go on the record, and they all have to be adjudicated, correct?

Mr. Allen: The regulations now require that every public comment be posted online for public display, so everything would be out there. I can't necessarily say it's all easy to find, but it would be available if somebody was willing to expend the effort to go find all the comments.

Ms. Speight: Okay. So in response to what you just said to Paul, would it also be a good idea if Paul had a comment to make that goes on the record at an FPRAC meeting to also put it in, if he thinks it's relevant, to the—I'm not speaking on your behalf. I'm just using you as an example, Paul. To also put it in a comment to the proposed regulations if there's a concern or a question to make sure it's in there twice, because on the Federal Register record, it's a public record.

Mr. Allen: I would encourage anybody who wants to express a point of view on a

proposed regulation to send it either by email or in writing in a letter. Email works fine, and the comment would become part of the public record that way.

Ms. Speight: Okay. Is it considered a response or a comment on the Federal Register draft?

Mr. Allen: I'm not sure I'm following that question exactly.

Chair Lachance: You broke up a little bit. Do you mind repeating that?

Ms. Speight: Sorry. I'm in a valley. Would it become part of an official comment to the Federal Register notice?

Mr. Allen: Yes. The next step for that would be OPM would be obligated to respond to a public comment in a final regulation—

Ms. Speight: Thank you.

Mr. Allen: —with a decision on whether to adopt whatever might be in the public comment or reject what was put in the public comment. There will be a rationale that addresses anybody's point of view.

Ms. Speight: Thank you.

Chair Lachance: Jacque, I'm trying to be better about the hands. I saw your hand up. Then I saw it come down.

Ms. Simon: Yeah, I changed my mind. I figured out the answer to my question.

Chair Lachance: All right. Commander Pullium.

LCDR Pullium: My only question is if a regulation does make it through, what are the further steps beyond that in terms of time to implementation? Thank you.

Mr. Allen: Those have not been determined at this point. That would all be something that would become apparent in the proposed regulation, and what's in the

proposed regulation might not necessarily be exactly what would come out of the final regulation. We would need to consider public comments and determine what the timing of any changes might be.

LCDR Pullium: Okay, thank you.

Mr. Allen: You're welcome.

Chair Lachance: Anything else? Anyone else?

[No audible response.]

## II. Review of the Minutes of the 649th Meeting

Chair Lachance: Great. Thank you. The next item on our agenda is to review the transcript of our last public meeting where all of this took place on December 21st, 2023. Are there any changes that anyone wants to raise with us?

[No audible response.]

Chair Lachance: If not, can we approve adopting the transcript without objection?

Ms. Simon: I'm—okay. I was going to offer a movement to adopt.

Chair Lachance: I think we can do it with no objection, so thank you for articulating that. Thanks everybody.



### III. Old Business

- a. Letter from the American Federation of Government Employees, Dated March 22, 2022, Requesting FPRAC Review a Proposal to Limit all Non-Rest of U.S. General Schedule Locality Pay Areas to no more than one Federal Wage System Wage Area and a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area, 637-AFGE-1
- b. Letter from the American Federation of Government Employees, Dated September 25, 2019, Requesting FPRAC Reexamine the Placement of Wage Grade Employees Working in the Salinas-Monterey, CA, Wage Area, 628-NAGE-1

Chair Lachance: There are still some items under Old Business that remain on the agenda at the request of committee members. We could read through all of those, but given that they are being held there until there's a decision about these regulations, can we instead discuss the items under New Business?

[No audible response.]

### IV. New Business

- a. Abolishment of the Frederick, Maryland, Nonappropriated Fund Federal Wage System Wage Area, 650-MGT-1
- b. DRAFT, FPRAC Annual Summary, 2023, 650-OC-1

Chair Lachance: It sounds like we're okay to go ahead. Under New Business, we have document 650-MGT-1, the abolishment of the Maryland Nonappropriated Fund Federal Wage System wage area. Mark, can you introduce this item for the committee?

Mr. Allen: Certainly. This is another pretty clear-cut example of an action that needs to take place. This is a Nonappropriated Fund wage area for Frederick, Maryland. It also covers Berkeley, West Virginia, as an area of application.

The overall Nonappropriated Fund employment level has fallen below the threshold necessary or required to continue conducting local wage surveys in that wage area. As with other Nonappropriated Fund wage areas that FPRAC has recommended abolishment for, the Management members have taken a look at this proposal that came to us from the Department of Defense staff.

We are recommending that Frederick County, Maryland, be defined to the Anne Arundel, Maryland, Nonappropriated Fund wage area as an area of application, and that Berkeley County, West Virginia, be defined to the Washington, D.C., Nonappropriated Fund wage area as an area of application. Both of those recommendations are based on an analysis of the regulatory criteria for Nonappropriated Fund wage areas, leaning heavily on distance. The other criteria that we took a look at don't lean one way or the other.

Not expecting any changes for the employees in Frederick County moving to Anne Arundel. There should be an increase in pay for the employees moving from Berkeley County to the Washington, D.C., wage schedule.

I'm open to any questions.

There's some time sensitivity on this one because of— I believe there's a full-scale survey coming up in August. We would need to issue proposed and final regulations before then.

Chair Lachance: Are there any questions or comments?

[No audible response.]

Chair Lachance: Is this something we can move forward by consensus? I'm seeing nods. I'm seeing some thumbs up. So this item is approved, and we can get to work on the draft regulations right away to meet this deadline.

Our last item, item (b) in our agenda, is the draft of FPRAC's annual summary of activities. Once this committee approves it, it will be posted on the OPM website. I hope all of you have taken a minute to look it over, and we're looking for any comments, questions, discussion about the draft for 2023. Are there any observations or comments that anyone would like to make?

Mr. Allen: I'm thinking it may be the case that some of the members may want to take a while to digest the wording in some of this. There may be different points of view than how we drafted it is what I'm trying to say.

Chair Lachance: Do you all want to come back to this next month maybe, giving you time to look at it in between now and then? I'm seeing another thumb. This is a great way to communicate. Okay. Mandy, thank you. Mandy did her thumbs up digitally. That's impressive. Thank you.

It sounds like there's at least some consensus, but we probably don't want to let this go on for too long since it's a summary of 2023. Hopefully, if you all could just take some time to look at it and come prepared with any feedback that you have at the next meeting, that would be terrific.

Mr. Allen: Anybody could also send any comments in advance to Ana.

Chair Lachance: Okay. Ana is ready to receive any comments in the meantime, and we can think about making those adjustments between now and the next meeting

so that maybe it could be approved at the next meeting. Thank you all.

Since there are no other items under New Business, we could actually adjourn this meeting, unless people have other comments or our guests want to participate with a comment on any of the subjects that we have discussed or should have discussed.

Mr. Allen: I'm expecting a couple of new agenda items for next meeting. One would be of interest, I think, to the Department of the Interior, which would extend a special differential schedule for Alaska to Kodiak. And I think we have another NAF wage area coming up, not finalized for distribution yet, but we're getting there.

Chair Lachance: Okay. Seeing no hands, digital or otherwise, are we okay then adjourning the meeting?

Unidentified Speaker: Aye.

Chair Lachance: Okay. Going—[audio break].

[End of recorded session.]