

PAY ADJUSTMENTS FOR CIVILIAN FEDERAL EMPLOYEES COVERED BY THE GENERAL SCHEDULE AND CERTAIN OTHER PAY SYSTEMS

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MESSAGE

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

PAY ADJUSTMENTS FOR CIVILIAN FEDERAL EMPLOYEES COVERED BY THE GENERAL SCHEDULE AND CERTAIN OTHER PAY SYSTEMS IN JANUARY 2021, PURSUANT TO 5 U.S.C. 5304a(a); PUBLIC LAW 101-509, TITLE I, SEC. 101(a)(1); (104 STAT. 1436)



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*To the Congress of the United States:*

I am transmitting an alternative plan for pay adjustments for civilian Federal employees covered by the General Schedule and certain other pay systems in January 2021.

Title 5, United States Code, authorizes me to implement alternative plans for pay adjustments for civilian Federal employees covered by the General Schedule and certain other pay systems if, because of “national emergency or serious economic conditions affecting the general welfare,” I view the increases that would otherwise take effect as inappropriate.

Under current law, locality pay increases averaging 20.67 percent, costing \$21 billion in the first year alone, would go into effect in January 2021, in addition to a 2.5 percent across-the-board increase for the base General Schedule.

We must maintain efforts to put our Nation on a fiscally sustainable course; Federal agency budgets cannot sustain such increases. Accordingly, I have determined that it is appropriate to exercise my authority to set alternative pay adjustments for 2021 pursuant to 5 U.S.C. 5303(b) and 5 U.S.C. 5304a.

Specifically, I have determined that for 2021 the across-the-board base pay increase will be limited to 1.0 percent and locality pay percentages will remain at their 2020 levels. This alternative pay plan decision will not materially affect our ability to attract and retain a well-qualified Federal workforce.

As noted in my Budget for Fiscal Year 2021, our pay system must reform to align with mission-critical recruitment and retention goals, and to reward employees whose performance provides value for the American people. For this purpose, my Budget further directs agencies to increase awards spending in FY 2021 by an amount equal to no less than 1 percent of total salary spending. My Administration will continue to support reforms that advance these aims.

The adjustment described above shall take effect on the first day of the first applicable pay period beginning on or after January 1, 2021.

DONALD J. TRUMP.

THE WHITE HOUSE, *February 10, 2020.*

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