or published as an amendment to the regular schedule and shall indicate the wage area (or part thereof) and each occupation or occupational specialization and grade for which the rates are authorized. These rates shall be paid by all agencies having such positions in the wage area (or part thereof) specified.

(h) The scheduled special rate payable under this section may not, at any time, be less than the unrestricted (uncapped) rate otherwise payable for such positions under the applicable regular wage schedule.

(i) If a special rate is terminated under paragraph (f) of this section, the lead agency shall provide written notice of such termination to OPM.

(j) Employers using special rates shall maintain current recruitment and retention data for all authorized special rates. Such data shall be made available to the lead agency prior to the wage area regular schedule adjustment date for the purpose of determining whether there is a continuing need for special rates and the amount of special rate adjustment necessary to recruit or retain well-qualified employees.

§ 532.254 Special schedules.

(a) A lead agency, with the approval of OPM, may establish special schedules for use within an area for specific occupations that are critical to the mission of a Federal activity based on findings that—

(1) Unusual prevailing pay practices exist in the private sector that are incompatible with regular schedule practices, and serious recruitment or retention problems exist or will likely develop if employees are paid from the authorized regular schedule; or

(2) Administrative considerations require the establishment of special schedules to address unique agency missions or other unusual circumstances that OPM considers appropriate.

(b) An OPM authorization for a special schedule shall include instructions for its construction, application, and administration.

(c) Unless otherwise specified, positions covered by special schedules shall be subject to the general provisions of this part and to other applicable rules and regulations of OPM.

§ 532.255 Regular appropriated fund wage schedules in foreign areas.

(a) The Department of Defense shall establish and issue regular appropriated fund wage schedules for U.S. citizens who are employees in foreign areas. These wage schedules shall provide rates of pay for nonsupervisory, leader, supervisory, and production facilitating employees.
(b) Schedules shall be—
(1) Computed on the basis of a simple average of all regular appropriated fund wage area schedules in effect on December 31; and
(2) Effective on the first day of the first pay period that begins on or after January 1 of the succeeding year.

(c) Step 2 rates for each nonsupervisory grade shall be derived by computing a simple average of each step 2 rate for each of the 15 grades of all nonsupervisory wage rate schedules designated in paragraph (b) of this section.

(d) Through the use of the step 2 rates derived under the schedule averaging process, the step rates for each of the 15 grades of the nonsupervisory schedule and all scheduled pay rates for leaders and supervisors shall be developed by using the standard formulas established in 5 CFR 532.203, Structure of regular wage schedules.

§ 532.257 Regular nonappropriated fund wage schedules in foreign areas.

(a) The Department of Defense shall establish and issue regular nonappropriated fund wage schedules for U.S. citizens who are wage employees in foreign areas. These schedules will provide rates of pay for nonsupervisory, leader, and supervisory employees.

(b) Schedules will be—
(1) Computed on the basis of a simple average of all regular nonappropriated fund wage area schedules defined for the 48 contiguous states and the District of Columbia in effect on the first Sunday in January; and
(2) Effective on the first Sunday in January of each year.

(c) Step 2 rates for each nonsupervisory grade will be derived by computing a simple average of each step 2 rate for each of the 15 grades of all nonsupervisory wage rate schedules designated in paragraph (b) of this section.

§ 532.259 Special appropriated fund wage schedules for U.S. insular areas.

(a) Lead agencies shall establish and issue special wage schedules for U.S. civil service wage employees in certain U.S. insular areas. The Department of Defense is the lead agency for Guam, Midway, and the U.S. Virgin Islands. The Department of Transportation is the lead agency for American Samoa. The Department of the Interior is the lead agency for the Commonwealth of the Northern Mariana Islands. These schedules shall provide rates of pay for nonsupervisory, leader, supervisory, and production facilitating employees.

(b) Special schedules shall be established at the same time and with rates identical to the foreign area appropriated fund wage schedules established under § 532.255 of this subpart.

(c) Wage employees recruited from outside the insular area where employed, who meet the same eligibility requirements as those specified for General Schedule employees in § 591.209 of subpart B of part 591, are also paid as a part of basic pay a differential for recruitment and retention purposes. The differential rate shall be that established for General Schedule employees in appendix B of subpart B of part 591 and shall be adjusted effective concurrently with the special schedules.