

Administration of Joseph R. Biden, Jr., 2022

Letter to Congressional Leaders Transmitting an Alternative Plan for Pay Adjustments for Civilian Federal Employees

August 31, 2022

Dear Madam Speaker: (Dear Madam President:)

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 2023.

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.

Accordingly, I have determined that it is appropriate to exercise my authority to set alternative pay adjustments for 2023 pursuant to 5 U.S.C. 5303(b) and 5 U.S.C. 5304a.

Specifically, I have determined that for 2023, the across-the-board base pay increase will be 4.1 percent and locality pay increases will average 0.5 percent, resulting in an overall average increase of 4.6 percent for civilian Federal employees, consistent with the assumption in my 2023 Budget.

Federal agencies have witnessed growing recruitment and retention challenges with Federal positions experiencing eroded compensation. Multiple years of lower pay raises for Federal civilian employees than called for under regular law have resulted in a substantial pay gap for Federal employees compared to the private sector. The American people rely on Federal agencies being managed and staffed by skilled, talented, and engaged employees, including those possessing critical skills sets, which requires keeping Federal pay competitive. This alternative pay plan decision will allow the Federal Government to better compete in the labor market to attract and retain a well-qualified Federal workforce.

The adjustment described above shall take effect on the first day of the first applicable pay period beginning on or after January 1, 2023.

Sincerely,

JOSEPH R. BIDEN JR.

NOTE: Identical letters were sent to Nancy Pelosi, Speaker of the House of Representatives, and Kamala D. Harris, President of the Senate. An original was not available for verification of the content of this letter.

Categories: Communications to Congress : Civilian Federal employees, alternative pay plan, letter transmitting.

Subjects: Economy, national : Household income and wages; Government organization and employees : Federal employees, pay rate adjustments; Government organizations and employees : Recruitment and retention, strengthening efforts.

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