

under the terms of such agreement until the effective date that is applicable under subsection (d) [set out as a note above] to the Under Secretary.

“(ii) An individual appointed as Under Secretary for Health on or after the date of the enactment of this Act and before the effective date applicable under subsection (d) to the Under Secretary shall be paid special pay in accordance with the provisions of sections 7432(d)(2) and 7433 of title 38, United States Code (as in effect on the day before the date of the enactment of this Act), during the period beginning on the date of appointment and ending on such effective date. However, no special pay agreement shall be required for the payment of special pay under this clause.

“(B) TREATMENT OF SPECIAL PAY.—Special pay paid under subparagraph (A) during the period beginning on the date of the enactment of this Act and ending on the effective date applicable under subsection (d) to the Under Secretary—

“(i) shall be subject to the provisions of paragraphs (1), (2), (4), (5), and (6) of section 7438(b) of title 38, United States Code (as in effect on the day before the date of the enactment of this Act); and

“(ii) shall be fully creditable for purposes of computing benefits under chapters 83 and 84 of title 5, United States Code.”

**INITIAL RATES OF BASE PAY FOR PHYSICIANS AND DENTISTS**

Pub. L. 108-445, §3(c), Dec. 3, 2004, 118 Stat. 2641, provided that: “The initial rates of base pay established for the base pay steps under the Physician and Dentist Base and Longevity Pay Schedule provided in section 7431(b) of title 38, United States Code (as added by subsection (b)), are as follows:

“Base Pay Step:	Rate of Pay:
1 .....	\$90,000
2 .....	\$93,000
3 .....	\$96,000
4 .....	\$99,000
5 .....	\$102,000
6 .....	\$105,000
7 .....	\$108,000
8 .....	\$111,000
9 .....	\$114,000
10 .....	\$117,000
11 .....	\$120,000
12 .....	\$123,000
13 .....	\$126,000
14 .....	\$129,000
15 .....	\$132,000.”

**§ 7432. Pay of Under Secretary for Health**

(a) **BASE PAY.**—The base pay of the Under Secretary for Health shall be the annual rate of basic pay for positions at Level III of the Executive Schedule under section 5314 of title 5.

(b) **MARKET PAY.**—(1) In the case of an Under Secretary for Health who is also a physician, podiatrist, optometrist, or dentist, in addition to the base pay specified in subsection (a) the Under Secretary for Health may also be paid the market pay element of pay of physicians and dentists under section 7431(c) of this title.

(2) The amount of market pay of the Under Secretary for Health under this subsection shall be established by the Secretary.

(3) In establishing the amount of market pay of the Under Secretary for Health under this subsection, the Secretary shall utilize an appropriate health care labor market selected by the Secretary for purposes of this subsection.

(c) **TREATMENT OF PAY.**—Pay under this section shall be considered pay for all purposes, in-

cluding retirement benefits under chapters 83 and 84 of title 5 and other benefits.

(Added Pub. L. 108-445, §3(b), Dec. 3, 2004, 118 Stat. 2640; amended Pub. L. 118-210, title I, §142(a)(3)(A), Jan. 2, 2025, 138 Stat. 2746.)

**APPLICABILITY OF AMENDMENT**

*Amendment of subsection (b)(1) of this section by Pub. L. 118-210 applicable to any pay period of the Department of Veterans Affairs beginning on or after the date that is 180 days after Jan. 2, 2025. See 2025 Amendment note below.*

**Editorial Notes**

**PRIOR PROVISIONS**

A prior section 7432, added Pub. L. 102-40, title I, §102, May 7, 1991, 105 Stat. 189; amended Pub. L. 102-405, title III, §302(c)(1), Oct. 9, 1992, 106 Stat. 1984; Pub. L. 104-262, title III, §346, Oct. 9, 1996, 110 Stat. 3208, related to written agreements for special pay, prior to the general amendment of this subchapter by Pub. L. 108-445.

**AMENDMENTS**

2025—Subsec. (b)(1). Pub. L. 118-210 inserted “, podiatrist, optometrist,” after “physician”.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2025 AMENDMENT**

Amendment by Pub. L. 118-210 applicable to any pay period of the Department of Veterans Affairs beginning on or after the date that is 180 days after Jan. 2, 2025, see section 142(a)(5) of Pub. L. 118-210, set out as a note under section 7431 of this title.

**§ 7433. Administrative matters**

(a) **REGULATIONS.**—The Secretary shall prescribe regulations relating to the pay of physicians, optometrists, podiatrists, and dentists in the Veterans Health Administration under this subchapter.

(b) **RECOMMENDATIONS AND VIEWS.**—In prescribing the regulations, the Secretary shall take into account the recommendations of the Under Secretary for Health on the administration of this subchapter. In formulating recommendations for the purpose of this subsection, the Under Secretary shall request the views of representatives of labor organizations that are exclusive representatives of physicians, optometrists, podiatrists, and dentists of the Department and the views of representatives of professional organizations of physicians, optometrists, podiatrists, and dentists of the Department.

(Added Pub. L. 108-445, §3(b), Dec. 3, 2004, 118 Stat. 2640; amended Pub. L. 116-12, §1(b)(2), (5), Apr. 8, 2019, 133 Stat. 845; Pub. L. 118-210, title I, §142(a)(3)(B), Jan. 2, 2025, 138 Stat. 2746.)

**Editorial Notes**

**PRIOR PROVISIONS**

Prior sections 7433 to 7440 were omitted in the general amendment of this subchapter by Pub. L. 108-445.

Section 7433, added Pub. L. 102-40, title I, §102, May 7, 1991, 105 Stat. 191; amended Pub. L. 102-405, title III, §302(c)(1), Oct. 9, 1992, 106 Stat. 1984; Pub. L. 103-446, title XII, §1201(e)(22), Nov. 2, 1994, 108 Stat. 4686, related to special pay for full-time physicians.

Section 7434, added Pub. L. 102-40, title I, §102, May 7, 1991, 105 Stat. 192, related to special pay of part-time physicians.