

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.

Section 7435, added Pub. L. 102-40, title I, § 102, May 7, 1991, 105 Stat. 193; 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; Pub. L. 106-419, title II, § 202(a)-(f), Nov. 1, 2000, 114 Stat. 1840, 1841, related to special pay of full-time dentists.

Section 7436, added Pub. L. 102-40, title I, § 102, May 7, 1991, 105 Stat. 194, related to special pay of part-time dentists.

Section 7437, added Pub. L. 102-40, title I, § 102, May 7, 1991, 105 Stat. 194; amended Pub. L. 102-405, title III, § 302(a), title III, § 302(c)(1), Oct. 9, 1992, 106 Stat. 1983, 1984, related to general provisions concerning special pay of physicians and dentists.

Section 7438, added Pub. L. 102-40, title I, § 102, May 7, 1991, 105 Stat. 196; amended Pub. L. 106-419, title II, § 202(g), Nov. 1, 2000, 114 Stat. 1841, related to coordination of special pay with other benefits laws.

Section 7439, added Pub. L. 102-40, title I, § 102, May 7, 1991, 105 Stat. 197, related to periodic review and quadrennial reports regarding pay of physicians and dentists.

Section 7440, added Pub. L. 102-40, title I, § 102, May 7, 1991, 105 Stat. 198; amended Pub. L. 103-446, title XII, § 1201(c)(6), Nov. 2, 1994, 108 Stat. 4684, related to annual reports of the use of authorities provided in this subchapter.

AMENDMENTS

2025—Pub. L. 118-210 inserted “optometrists,” after “physicians,” wherever appearing.

2019—Pub. L. 116-12, § 1(b)(2), substituted “physicians, podiatrists, and dentists” for “physicians and dentists” wherever appearing.

Subsec. (a). Pub. L. 116-12, § 1(b)(5)(B), struck out par. (1) designation before “The Secretary” and redesignated par. (2) as subsec. (b).

Subsec. (b). Pub. L. 116-12, § 1(b)(5)(C), inserted heading and substituted “this subsection” for “this paragraph”.

Pub. L. 116-12, § 1(b)(5)(A), (B)(ii), redesignated subsec. (a)(2) as (b) and struck out former subsec. (b) which required reports on the pay of physicians and dentists in the Veterans Health Administration under this subchapter.

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.

SUBCHAPTER IV—PAY FOR NURSES AND OTHER HEALTH-CARE PERSONNEL

§ 7451. Nurses and other health-care personnel: competitive pay

(a)(1) It is the purpose of this section to ensure, by a means providing increased responsibility and authority to directors of Department health-care facilities, that the rates of basic pay for health-care personnel positions described in paragraph (2) in each Department health-care facility (including the rates of basic pay of personnel employed in such positions on a part-time basis) are sufficient for that facility to be competitive, on the basis of pay and other employee benefits, with non-Department health-care facilities in the same labor-market area in the recruitment and retention of qualified personnel for those positions.

(2) The health-care personnel positions referred to in paragraph (1) (hereinafter in this

section referred to as “covered positions”) are the following:

(A) Registered nurse.

(B) Physician assistant.

(C) Such positions referred to in paragraphs (1) and (3) of section 7401 of this title (other than the positions of physician, optometrist, dentist, registered nurse, physician assistant, and podiatrist) as the Secretary may determine upon the recommendation of the Under Secretary for Health.

(3)(A) Except as provided in subparagraph (B), the rates of basic pay for covered positions in the Department shall be established and adjusted in accordance with this section instead of subsection (b)(1) of section 7404 of this title or chapter 53 of title 5.

(B) Under such regulations as the Secretary shall prescribe, the Secretary shall establish and adjust the rates of basic pay for covered positions at the following health-care facilities in order to provide rates of basic pay that enable the Secretary to recruit and retain sufficient numbers of health-care personnel in such positions at those facilities:

(i) The Veterans Memorial Medical Center in the Republic of the Philippines.

(ii) Department of Veterans Affairs health-care facilities located outside the contiguous States, Alaska, and Hawaii.

(4) The Secretary, after receiving the recommendation of the Under Secretary for Health, shall prescribe regulations setting forth criteria and procedures to carry out this section and section 7452 of this title. Requirements in such regulations for directors to provide and maintain documentation of actions taken under this section shall require no more documentation than the minimum essential for responsible administration.

(b) The Secretary shall maintain the five grade levels for nurses employed by the Department under section 7401(1) of this title as specified in the Nurse Schedule in section 7404(b) of this title. The Secretary shall, pursuant to regulations prescribed to carry out this subchapter, establish grades for other covered positions as the Secretary considers appropriate.

(c)(1) For each grade in a covered position, there shall be a range of basic pay. The maximum rate of basic pay for a grade shall be 133 percent of the minimum rate of basic pay for the grade, except that, if the Secretary determines that a higher maximum rate is necessary with respect to any such grade in order to recruit and retain a sufficient number of high-quality health-care personnel, the Secretary may raise the maximum rate of basic pay for that grade to a rate not in excess of 175 percent of the minimum rate of basic pay for the grade. Whenever the Secretary exercises the authority under the preceding sentence to establish the maximum rate of basic pay at a rate in excess of 133 percent of the minimum rate for that grade, the Secretary shall, in the next annual report required by subsection (g),¹ provide justification for doing so to the Committees on Veterans' Af-

¹ See References in Text note below.