- (1) develop a plan that incorporates the following elements:
 - (A) adherence to merit principles set forth in section 2301;
 - (B) a fair, credible, and transparent employee performance appraisal system;
 - (C) a link between the pay-for-performance system, the employee performance appraisal system, and the agency's strategic plan;
 - (D) a means for ensuring employee involvement in the design and implementation of the system;
 - (E) adequate training and retraining for supervisors, managers, and employees in the implementation and operation of the payfor-performance system;
 - (F) a process for ensuring ongoing performance feedback and dialogue between supervisors, managers, and employees throughout the appraisal period, and setting timetables for review;
 - (G) effective safeguards to ensure that the management of the system is fair and equitable and based on employee performance; and
 - (H) a means for ensuring that adequate agency resources are allocated for the design, implementation, and administration of the pay-for-performance system;
- (2) upon approval, receive an allocation of funding from the Office;
- (3) make payments to individual employees in accordance with the agency's approved plan; and
- (4) provide such information to the Office regarding payments made and use of funds received under this section as the Office may specify.
- (b) The Office, in consultation with the Chief Human Capital Officers Council, shall review and approve an agency's plan before the agency is eligible to receive an allocation of funding from the Office.
- (c) The Chief Human Capital Officers Council shall include in its annual report to Congress under section 1303(d) of the Homeland Security Act of 2002 an evaluation of the formulation and implementation of agency performance management systems.

(Added Pub. L. 108–136, div. A, title XI, 1129(a), Nov. 24, 2003, 117 Stat. 1644.)

REFERENCES IN TEXT

Section 1303(d) of the Homeland Security Act of 2002, referred to in subsec. (c), is section 1303(d) of Pub. L. 107–296, which is set out as a note under section 1401 of this title.

PRIOR PROVISIONS

A prior section 5406, added Pub. L. 98–615, title II, $\S201(a)$, Nov. 8, 1984, 98 Stat. 3211; amended Pub. L. 101–103, $\S4$, Sept. 30, 1989, 103 Stat. 671; Pub. L. 102–22, $\S2(b)$, Mar. 28, 1991, 105 Stat. 71, related to performance awards, prior to repeal by Pub. L. 103–89, $\S3(a)(1)$, (c), Sept. 30, 1993, 107 Stat. 981, 983, eff. Nov. 1, 1993.

§ 5407. Nature of payment

Any payment to an employee under this section shall be part of the employee's basic pay for the purposes of subchapter III of chapter 83, and

chapters 84 and 87, and for such other purposes (other than chapter 75) as the Office shall determine by regulation.

(Added Pub. L. 108–136, div. A, title XI, 1129(a), Nov. 24, 2003, 117 Stat. 1645.)

PRIOR PROVISIONS

A prior section 5407, added Pub. L. 98–615, title II, $\S 201(a)$, Nov. 8, 1984, 98 Stat. 3213, related to cash award program, prior to repeal by Pub. L. 103–89, $\S 3(a)(1)$, (c), Sept. 30, 1993, 107 Stat. 981, 983, eff. Nov. 1, 1993.

§ 5408. Appropriations

There is authorized to be appropriated \$500,000,000 for fiscal year 2004, and, for each subsequent fiscal year, such sums as may be necessary to carry out the provisions of this chapter. In the first year of implementation, up to 10 percent of the amount appropriated to the Fund shall be available to participating agencies to train supervisors, managers, and other individuals involved in the appraisal process on using performance management systems to make meaningful distinctions in employee performance and on the use of the Fund.

(Added Pub. L. 108–136, div. A, title XI, §1129(a), Nov. 24, 2003, 117 Stat. 1645.)

PRIOR PROVISIONS

Prior sections 5408 to 5410 were repealed by Pub. L. 103-89, §3(a)(1), (c), Sept. 30, 1993, 107 Stat. 981, 983, effective Nov. 1, 1993.

Section 5408, added Pub. L. 98-615, title II, §201(a), Nov. 8, 1984, 98 Stat. 3214, required annual reports by Office of Personnel Management.

Section 5409, added Pub. L. 98-615, title II, §201(a), Nov. 8, 1984, 98 Stat. 3214, directed Office of Personnel Management to prescribe regulations.

Section 5410, added Pub. L. 98-615, title II, §201(a), Nov. 8, 1984, 98 Stat. 3214; amended Pub. L. 101-103, §2, Sept. 30, 1989, 103 Stat. 670; Pub. L. 102-22, §2(c), Mar. 28, 1991, 105 Stat. 71; Pub. L. 103-89, §2, Sept. 30, 1993, 107 Stat. 981, related to termination of chapter and accompanying regulations.

CHAPTER 55—PAY ADMINISTRATION

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5504. Biweekly pay periods; computation of pay.

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5506. Computation of extra pay based on standard or daylight saving time.

Officer affidavit; condition to pay.

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5509. Appropriations.

5507.

SUBCHAPTER II—WITHHOLDING PAY

5511. Withholding pay; employees removed for cause.

5512. Withholding pay; individuals in arrears.

5513. Withholding pay; credit disallowed or charge raised for payment.

5514. Installment deduction for indebtedness because of erroneous payment.¹

5515. Crediting amounts received for jury or witness service.

 $^{^{\}rm 1}{\rm Section}$ catchline amended by Pub. L. 97–365 without corresponding amendment of chapter analysis.

5516.	Withholding District of Columbia income	5565.	Agency review.
5517	taxes. Withholding State income taxes.	5566.	Agency determinations.
5517. 5518.	Deductions for State retirement systems; Na-	5567. 5568.	Settlement of accounts. Income tax deferment.
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5524.	Review of accounts.		PAY
5524a.	Advance payments for new appointees. [5591 to 5594. Repealed.]		5594. Repealed.1
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5526.	Funds available on reimbursable basis.	5596.	Back pay due to unjustified personnel action.
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SU	BCHAPTER IV—DUAL PAY AND DUAL		AMENDMENTS
	EMPLOYMENT		AMENDMENTS
5531.	Definitions.		Pub. L. 111–8, div. D, title VII, §751(b), Mar. 11,
[5532.	Repealed.]		Stat. 695, added item 5538.
5533.	Dual pay from more than one position; limi-		Pub. L. 108-411, title II, §203(b), Oct. 30, 2004, 118
===.	tations; exceptions.		3, added item 5550b.
5534.	Dual employment and pay of Reserves and		Pub. L. 106-65, div. A, title VI, §651(a)(2), Oct. 5,
5534a.	National Guardsmen. Dual employment and pay during terminal		Stat. 664, struck out item 5532 "Employment of nembers of the uniformed services; reduction in
5554а.	leave from uniformed services.		or retainer pay."
5535.	Extra pay for details prohibited.		Pub. L. 105–277, div. A, §101(h) [title VI, §628(b)],
5536.	Extra pay for extra services prohibited.		1998, 112 Stat. 2681–480, 2681–521, added item
5537.	Fees for jury and witness service.	5545b.	1000, 112 2000, 2001 100, 2001 021, wadda 10011
5538.	Nonreduction in pay while serving in the uni-		Pub. L. 103-329, title VI, §633(b)(3), Sept. 30, 1994,
	formed services or National Guard.		. 2427, added item 5545a.
	SUBCHAPTER V—PREMIUM PAY	1993—I	Pub. L. 103–94, §9(b)(1), Oct. 6, 1993, 107 Stat.
5541.	Definitions.		ich directed amendment of table of chapters for
5542.	Overtime rates; computation.		55 of this title by adding item 5520a, was exe-
5543.	Compensatory time off.		adding item 5520a to table of sections for this
5544.	Wage-board overtime and Sunday rates; com-		to reflect the probable intent of Congress.
	putation.		Pub. L. 102–484, div. D, title XLIV, §4436(a)(2),
5545.	Night, standby, irregular, and hazardous duty		1992, 106 Stat. 2724, added item 5597. 1. 102–378, §2(44)(B), (45)(B), Oct. 2, 1992, 106 Stat.
	differential.		3, struck out item 5550 "Pay for Sunday and
5545a.	Availability pay for criminal investigators.		e work; employees of nonappropriated fund in-
5545b. 5546.	Pay for firefighters. Pay for Sunday and holiday work.		talities" and added item 5553.
5546a.	Differential pay for certain employees of the		Pub. L. 101-509, title V, §529 [title I, §107(b)],
001000	Federal Aviation Administration and the		990, 104 Stat. 1427, 1449, added item 5524a.
	Department of Defense.		Pub. L. 99-399, title VIII, §803(b), Aug. 27, 1986,
5547.	Limitation on premium pay.		. 883, added items 5569 and 5570.
5548.	Regulations.	1985—I	Pub. L. 99–224, §1(b), Dec. 28, 1985, 99 Stat. 1741,
5549.	Effect on other statutes.		ted "and of travel, transportation and reloca-
[5550.	Repealed.]	tion exp	enses and allowances" for "other than travel
5550a.	Compensatory time off for religious observ-		sportation expenses and allowances and reloca-
5550b.	ances. Compensatory time off for travel.		enses" in item 5584.
			Pub. L. 98-525, title XV, \$1537(c)(6)(B), Oct. 19,
SUBCHAPTER VI—PAYMENT FOR ACCUMULATED			Stat. 2636, inserted "and the Department of De- n item 5546a.
	AND ACCRUED LEAVE		Pub. L. 97–276, §151(c)(2), Oct. 2, 1982, 96 Stat.
5551.	Lump-sum payment for accumulated and ac-		led item $5546a$.
EEEO	crued leave on separation.		Pub. L. 95–454, title III, §308(f)(2), Oct. 13, 1978,
5552.	Lump-sum payment for accumulated and ac-		1151, substituted "members of the uniformed
	crued leave on entering active duty; election.		; reduction in retired or retainer pay" for "offi-
5553.	Regulations.		the uniformed services; reduction in retired or

SUBCHAPTER VII—PAYMENTS TO MISSING EMPLOYEES

5561. Definitions.

5562. Pay and allowances; continuance while in a missing status; limitations.

5563. Allotments; continuance, suspension, initiation, resumption, or increase while in a missing status; limitations.

5564. Travel and transportation; dependents; household and personal effects; motor vehicles; sale of bulky items; claims for proceeds; appropriation chargeable.

item 5520. 1975—Pub. L. 94–183, §2(24), Dec. 31, 1975, 89 Stat. 1058, struck out "Sunday," after "Night," in item 5545.

Pub. L. 95-390, title IV, §401(b), Sept. 29, 1978, 92 Stat.

1977—Pub. L. 95–30, title IV, §408(b), May 23, 1977, 91 Stat. 157, substituted "city or county" for "city" in

retirement pay; exceptions" in item 5532.

762, added item 5550a.

1974—Pub. L. 93–340, §1(b), July 10, 1974, 88 Stat. 294, added item 5520.

1972—Pub. L. 92–453, §3(2), Oct. 2, 1972, 86 Stat. 760, substituted "overpayment of pay and allowances, other than travel and transportation expenses and allowances