

**§ 1602. Basic pay**

(a) **AUTHORITY TO FIX RATES OF BASIC PAY.**—The Secretary of Defense (subject to the provisions of this section) shall fix the rates of basic pay for positions established under section 1601 of this title in relation to the rates of pay provided for comparable positions in the Department of Defense and subject to the same limitations on maximum rates of pay established for employees of the Department of Defense by law or regulation.

(b) **PREVAILING RATE SYSTEMS.**—The Secretary of Defense may, consistent with section 5341 of title 5, adopt such provisions of that title as provide for prevailing rate systems of basic pay and may apply those provisions to positions for civilian employees in or under which the Department of Defense may employ individuals described by section 5342(a)(2)(A) of that title.

(Added Pub. L. 104–201, div. A, title XVI, § 1632(a)(3), Sept. 23, 1996, 110 Stat. 2746; amended Pub. L. 108–375, div. A, title XI, § 1103(a), Oct. 28, 2004, 118 Stat. 2072; Pub. L. 109–364, div. A, title X, § 1071(g)(12), Oct. 17, 2006, 120 Stat. 2403.)

**PRIOR PROVISIONS**

A prior section 1602 was renumbered section 1621 of this title.

Provisions similar to those in this section were contained in sections 1590(b) and (c) and 1604(b)(1) and (c) of this title prior to repeal by Pub. L. 104–201, §§ 1632(a)(3), 1633(a).

**AMENDMENTS**

2006—Subsec. (a). Pub. L. 109–364 made technical correction to directory language of Pub. L. 108–375, § 1103(a)(1). See 2004 Amendment note below.

2004—Subsec. (a). Pub. L. 108–375, § 1103(a)(1), as amended by Pub. L. 109–364, substituted “in relation to the rates of pay provided for comparable positions in the Department of Defense and subject to the same limitations on maximum rates of pay established for employees of the Department of Defense by law or regulation” for “in relation to the rates of basic pay provided in subpart D of part III of title 5 for positions subject to that subpart which have corresponding levels of duties and responsibilities”.

Subsecs. (b), (c). Pub. L. 108–375, § 1103(a)(2), (3), redesignated subsec. (c) as (b) and struck out heading and text of former subsec. (b). Text read as follows: “A rate of basic pay fixed under subsection (a) for a position established under section 1601 of this title may not (except as otherwise provided by law) exceed—

“(1) in the case of a Defense Intelligence Senior Executive Service position, the maximum rate provided in section 5382 of title 5;

“(2) in the case of an Intelligence Senior Level position, the maximum rate provided in section 5382 of title 5; and

“(3) in the case of any other position, the maximum rate provided in section 5306(e) of title 5.”

**EFFECTIVE DATE OF 2006 AMENDMENT**

Pub. L. 109–364, div. A, title X, § 1071(g), Oct. 17, 2006, 120 Stat. 2402, provided that the amendment made by section 1071(g)(12) is effective as of Oct. 28, 2004, and as if included in Pub. L. 108–375 as enacted.

**EFFECTIVE DATE**

Section effective Oct. 1, 1996, see section 1635 of Pub. L. 104–201, set out as an Effective Date of 1996 Amendment note under section 1593 of this title.

**§ 1603. Additional compensation, incentives, and allowances**

(a) **ADDITIONAL COMPENSATION BASED ON TITLE 5 AUTHORITIES.**—The Secretary of Defense may provide employees in defense intelligence positions compensation (in addition to basic pay), including benefits, incentives, and allowances, consistent with, and not in excess of the level authorized for, comparable positions authorized by title 5.

(b) **ALLOWANCES BASED ON LIVING COSTS AND ENVIRONMENT.**—(1) In addition to basic pay, employees in defense intelligence positions who are citizens or nationals of the United States and are stationed outside the continental United States or in Alaska may be paid an allowance, in accordance with regulations prescribed by the Secretary of Defense, while they are so stationed.

(2) An allowance under this subsection shall be based on—

(A) living costs substantially higher than in the District of Columbia;

(B) conditions of environment which (i) differ substantially from conditions of environment in the continental United States, and (ii) warrant an allowance as a recruitment incentive; or

(C) both of the factors specified in subparagraphs (A) and (B).

(3) An allowance under this subsection may not exceed the allowance authorized to be paid by section 5941(a) of title 5 for employees whose rates of basic pay are fixed by statute.

(Added Pub. L. 104–201, div. A, title XVI, § 1632(a)(3), Sept. 23, 1996, 110 Stat. 2746.)

**PRIOR PROVISIONS**

A prior section 1603, added Pub. L. 97–89, title VII, § 701(a)(1), Dec. 4, 1981, 95 Stat. 1160; amended Pub. L. 99–145, title XIII, § 1302(a)(3), Nov. 8, 1985, 99 Stat. 738; Pub. L. 99–661, div. A, title XIII, § 1343(a)(9), Nov. 14, 1986, 100 Stat. 3992, related to limits on pay to members of the Defense Intelligence Senior Executive Service, prior to repeal by Pub. L. 104–201, div. A, title XVI, §§ 1632(a)(3), 1635, Sept. 23, 1996, 110 Stat. 2745, 2752, effective Oct. 1, 1996.

Provisions similar to those in this section were contained in sections 1590(d) and 1604(b)(2), (d) of this title prior to repeal by Pub. L. 104–201, §§ 1632(a)(3), 1633(a).

**EFFECTIVE DATE**

Section effective Oct. 1, 1996, see section 1635 of Pub. L. 104–201, set out as an Effective Date of 1996 Amendment note under section 1593 of this title.

**[§ 1604. Repealed. Pub. L. 104–201, div. A, title XVI, § 1632(a)(3), Sept. 23, 1996, 110 Stat. 2745]**

Section, added Pub. L. 98–618, title V, § 501(a), Nov. 8, 1984, 98 Stat. 3301; amended Pub. L. 99–569, title V, § 502, Oct. 27, 1986, 100 Stat. 3198; Pub. L. 100–178, title VI, § 602(a), Dec. 2, 1987, 101 Stat. 1015; Pub. L. 101–193, title V, § 503(b), Nov. 30, 1989, 103 Stat. 1708; Pub. L. 102–496, title IV, § 401(a), Oct. 24, 1992, 106 Stat. 3183; Pub. L. 103–359, title V, § 501(b)(1)(D), title VIII, § 806(b)(1), Oct. 14, 1994, 108 Stat. 3428, 3442; Pub. L. 104–93, title V, § 501, Jan. 6, 1996, 109 Stat. 970, related to civilian personnel management. See sections 1601 to 1603, 1607, and 1609 of this title.