should not be classified under chapter 51 or subject to subchapter III.

- (c) In establishing special occupational pay systems, the pay agent shall—
  - (1) identify occupations or groups of occupations for which chapter 51 and subchapter III do not function adequately;
  - (2) consider alternative approaches for determining the pay for employees in positions in such occupations or groups of occupations:
- (3) give thorough consideration to the views of agencies employing such employees and labor organizations representing such employees, as well as other interested parties;
- (4) publish a proposed plan for determining the pay of such employees in the Federal Register.
  - (5) conduct one or more public hearings;
- (6) provide each House of Congress with a report at least 90 days in advance of the date the system is to take effect setting forth the details of the proposed plan; and
- (7) not later than 30 days before the date the system is to take effect, publish in the Federal Register the details of the final plan for the special occupational pay system.
- (d) A special occupational pay system may not—
  - (1) provide for a waiver of any law, rule, or regulation that could not be waived under section 4703(c); or
  - (2) provide a rate of basic pay for any employee in excess of the rate payable for level V of the Executive Schedule.
- (e) Subject to subsection (d)(2), effective at the beginning of the first applicable pay period commencing on or after the first day of the month in which an adjustment takes effect under section 5303 in the rates of pay under the General Schedule, each rate of pay established under this section shall be adjusted by such amount as the Office considers appropriate.

(Added Pub. L. 101-509, title V, §529 [title I, §105(a)(1)], Nov. 5, 1990, 104 Stat. 1427, 1448.)

## REFERENCES IN TEXT

Level V of the Executive Schedule, referred to in subsec. (d)(2), is set out in section 5316 of this title.

The General Schedule, referred to in subsec. (e), is set out under section 5332 of this title.

## EFFECTIVE DATE

Section effective on such date as the President shall determine, but not earlier than 90 days, and not later than 180 days, after Nov. 5, 1990, see section 529 [title III, §305] of Pub. L. 101–509, set out as an Effective Date of 1990 Amendment note under section 5301 of this title.

## CHAPTER 54—HUMAN CAPITAL PERFORMANCE FUND

Sec. 5401. Purpose. 5402 Definitions. Human Capital Performance Fund. 5403. 5404 Human capital performance payments. 5405 Regulations. 5406 Agency plan. Nature of payment. 5407 5408. Appropriations.

## PRIOR PROVISIONS

A prior chapter 54, consisting of sections 5401 to 5410, related to performance management and recognition

system, prior to repeal by Pub. L. 103-89, §3(a)(1), (c), Sept. 30, 1993, 107 Stat. 981, 983, eff. Nov. 1, 1993.

TREATMENT OF EMPLOYEES COVERED BY PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM AS OF TERMINATION DATE

Pub. L. 103-89, §4, Sept. 30, 1993, 107 Stat. 983, provided that:

(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'employee' means an individual employed by an agency (within the meaning of section 7103(a)(3) of title 5, United States Code);

"(2) the term 'performance management and recognition system' means the performance management and recognition system under [former] chapter 54 of title 5, United States Code;

- "(3) the term 'basic pay' does not include any amount payable under section 302 [set out as a note under section 5304 of this title] or title IV [see Short Title set out in a note under section 5305 of this title] of FEPCA or section 5304 or 5304a of title 5, United States Code:
- "(4) the term 'pay rate', as used in clauses (iii) through (v) of subsection (c)(2)(B), is used in the same way as such term is used under section 5335(a) of title 5, United States Code; and
- "(5) the term 'FEPCA' means the Federal Employees Pay Comparability Act of 1990 [section 529 [§§1-412] of Pub. L. 101-509, see Short Title of 1990 Amendment; Rules of Construction note set out under section 5301 of this title] (contained in the Treasury, Postal Service and General Government Appropriations Act, 1991 (Public Law 101-509; 104 Stat. 1427)).
- "(b) APPLICABILITY.—Notwithstanding section 5332(a)(1) of title 5, United States Code (as amended by section 3(b)(1)(F)), or any other provision of law, the rate of basic pay for an employee covered by the performance management and recognition system on October 31, 1993, shall be determined in accordance with this section so long as such employee continues, without a break in service of more than 3 days, to occupy any position—
  - Schedule, and the same agency, as the position which such employee occupied on October 31, 1993; and
  - "(2) to which the provisions of [former] chapter 54 of title 5, United States Code (as in effect on October 31, 1993) would apply if such provisions had remained in effect.
  - "(c) SPECIAL RULES.—
  - "(1) IN GENERAL.—The rate of basic pay for an employee who is subject to this section shall be the rate payable to such employee on October 31, 1993, subject to paragraph (2).
  - '(2) ADJUSTMENTS.—Adjustments in the rate of basic pay for an employee who is subject to this section shall be made in accordance with the relevant provisions of title 5, United States Code, or otherwise applicable provisions of law, subject to the following:
  - "(A) DEEM RATES AND POSITIONS TO BE UNDER THE GENERAL SCHEDULE.—For purposes of applying subchapters I and III of chapter 53 of such title (and the provisions of section 302 [set out as a note under section 5304 of this title] and title IV [see Short Title set out in a note under section 5305 of this title] of FEPCA with respect to any payment under any of those provisions)—
    - "(i) the rate of basic pay determined under this section for an employee shall be treated as a rate of basic pay described in section 5302(8) of such title;
    - "(ii) the position then currently occupied by an employee who is subject to this section shall be deemed to be a 'General Schedule position' within the meaning of section 5302(9) of such title; and
    - "(iii) any employee who is subject to this section shall be considered to be a 'General Schedule employee' (as referred to in section 302(b) of FEPCA)