# Rules and Regulations

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## OFFICE OF PERSONNEL MANAGEMENT

**5 CFR Chapter I**

### Civil Service Reform Act of 1978 and Reorganization Plan No. 2 of 1978; Nomenclature and Editorial Changes

**AGENCY:** Office of Personnel Management.

**ACTION:** Final rule.

**SUMMARY:** This document transmits editorial and nomenclature changes necessary to bring Chapter I of Title 5, CFR, into conformance with changes brought about by the Civil Service Reform Act of 1978 and Reorganization Plan No. 2 of 1978.

**EFFECTIVE DATE:** December 28, 1979.

**FOR FURTHER INFORMATION CONTACT:** Beverly M. Jones, Issuance System Manager, 202–254–7086.

**SUPPLEMENTARY INFORMATION:** At 44 FR 47523 on August 14, 1979, the Office of Personnel Management published a document making general nomenclature changes to 5 CFR Chapter I, to bring the chapter into conformance with the Civil Service Reform Act (Pub. L. 95–454) and Reorganization Plan Number 2 of 1978. This document makes nomenclature and editorial changes which were inadvertently omitted from the material published that day (FR Doc. 79–24969).

Office of Personnel Management.

**Beverly M. Jones,**

*Issuance System Manager.*

Accordingly, the Office of Personnel Management is amending Title 5, Code of Federal Regulations, Chapter I, as follows:

### PART 177—ADMINISTRATIVE CLAIMS UNDER FEDERAL TORT CLAIMS ACT

**§ 177.106 [Amended]**

(1) In § 177.106, change "$200" to read "$500" in each place it appears.

### PART 179—CLAIMS COLLECTION STANDARDS

**§ 179.102 [Amended]**

(2) In § 179.102, change "Director of the Bureau of Retirement and Insurance" to read "Associate Director for Compensation."

### PART 180—EMPLOYEES' PERSONAL PROPERTY CLAIMS

**§ 180.107 [Amended]**

(3) In the introductory text of § 180.107(c), change "bureau" to read "associate."

**§ 180.108 [Amended]**

(4) In the introductory text of § 180.108(a), change "bureau" to read "associate."

### PART 213—EXCEPTED SERVICE

**§ 213.3190 [Redesignated as § 213.3191]; § 213.3191 [Redesignated as § 213.3190]; § 213.3170 (a) and (b) [Redesignated § 213.3191 (b) and (c)]; § 213.3290 [Redesignated § 213.3291] and § 213.3170 [Revoked]**

(5) Part 213 is amended by redesignating § 213.3190 to read § 213.3191; and by redesignating § 213.3191 to read § 213.3190. § 213.3170 (a) and (b) are redesignated § 213.3191 (b) and (c) respectively. § 213.3170, "Civil Service Commission," is revoked. § 213.3290 is redesignated § 213.3291.

**§ 213.3107 [Amended]**

(6) In § 213.3107(c)(2), change "Board of U.S. Civil Service Examiners" to read "OPM area office."

**§ 213.3112 [Amended]**

(7) In § 213.3112(a)(8), change "Board of U.S. Civil Service Examiners" to read "OPM area office."

### PART 511—CLASSIFICATION UNDER THE GENERAL SCHEDULE

**§§ 511.701 and 511.702 [Amended]**

(8) In §§ 511.701(b)(2) and 511.702(b), change "bureau" to read "Group."

### PART 720—FEDERAL EQUAL OPPORTUNITY RECRUITMENT PROGRAM

**Appendix [Amended]**

(9) In Part 720, in section II.D. of the Appendix, delete the words "(as of January, 1979, the OPM)." in the fourth sentence.

### PART 831—RETIREMENT

### PART 870—REGULAR LIFE INSURANCE

### PART 871—OPTIONAL LIFE INSURANCE

### PART 890—FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

(10) In Parts 831, 870, 871, and 890, make the following nomenclature changes:

| Change from— | To— |
|---|---|
| Bureau of Retirement, Insurance, and Occupational Health. | Associate Director for Compensation. |
| Bureau of Retirement and Insurance. | Associate Director for Compensation. |
| Director of the Bureau | Associate Director. |
| Bureau | Associate Director. |
| (S)he | He/she. |

### PART 891—RETIRED FEDERAL EMPLOYEES HEALTH BENEFITS

(11) In Part 891, change "Bureau of Retirement and Insurance" to read "Associate Director for Compensation."

### PART 1001—EMPLOYEE RESPONSIBILITIES AND CONDUCT

**§ 1001.735–203 [Amended]**

(12) In § 1001.735–203(c), change "Bureau directors" to read "Associate Directors."

(13) In the entire chapter, "Commission," when referring to any Commission other than the former Civil Service Commission, should continue to read "Commission."

(Pub. L. 95–454; Reorganization Plan No. 2 of 1978)

[FR Doc. 79–39544 Filed 12–27–79; 8:45 am]

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**5 CFR Parts 831, 870, 871, 890, 891**

## Retirement; Federal Employees Group Life Insurance; Federal Employees Health Benefits Program; Retired Federal Employees Health Benefits Program; Reconsideration Procedures

**AGENCY:** Office of Personnel Management.

**ACTION:** Final rule.

**SUMMARY:** At 44 FR 37877, on June 29, 1979, the Office of Personnel Management published interim regulations on Retirement, Federal Employees Group Life Insurance, Federal Employees Health Benefits Program, Retired Employees Health Benefits Program, and Reconsideration Procedures. These interim regulations were required by the Civil Service Reform Act of 1978, Reorganization Plan No. 2 of 1978, and the final order in the case of *Shannon* v. *U.S.C.S.C.*, 444 F. Supp. 354, (N.C. CA 1977).

The effective date was "June 29, 1979, and thereafter for a period of 6 months—or until final regulations are issued—whichever comes first." Because development of the final regulations is requiring more time than was originally anticipated, the Office of Personnel Management is revising the effective date to read:

"**EFFECTIVE DATE:** June 29, 1979, and thereafter, until superseded by final rulemaking."

(Pub. L. 95-454; Reorganization Plan No. 2 of 1978)

Office of Personnel Management.

**Roderick S. Speer,**

*Assistant Issuance System Manager.*

December 21, 1979.

[FR Doc. 79-39614 Filed 12-27-79; 8:45 am]

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## COUNCIL ON WAGE AND PRICE STABILITY

**6 CFR Part 705**

## Noninflationary Pay and Price Behavior Changes and Additional Questions and Answers

**AGENCY:** Council on Wage and Price Stability.

**ACTION:** Interim final rules, questions and answers, and a request for comments.

**SUMMARY:** The Council is modifying the low-wage exemption from the pay standard. These modifications implement the policies recommended by the Pay Advisory Committee and accepted by the Council.

**DATES:** The effective date for these changes and Questions and Answers is December 28, 1979. Written comments may be submitted by January 28, 1980.

**ADDRESS:** Written comments should be addressed to: Office of the General Counsel, Council on Wage and Price Stability, 600 17th Street, NW., Washington, D.C. 20506.

**FOR FURTHER INFORMATION CONTACT:**

*Office of Pay Monitoring*

Janice Murphey—456-7103
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**SUPPLEMENTARY INFORMATION:** On September 28, 1979, the President announced the creation of a Pay Council on policies that encourage anti-inflationary behavior by employers and labor, that decelerate the rate of inflation, and that provide for a fair and equitable distribution of the burden of restraint. The committee's charter provides that it will recommend new or revised interpretations of the pay standard. Until the Council acts on any recommendations, the first-year pay standards (in subpart 705B) remains in effect with the modifications that have been adopted (see the Council's questions and answers published in the Federal Register on October 12, 1979 (44 FR 56900), and November 19, 1979 (44 FR 66534); see also Federal Register of December 17, 1979 (44 FR 73003)).

On December 18, 1979, the Committee recommended that the exemption for low-wage employees (Section 705B-8) be modified to exempt employee units with average straight-time wage rates of $5.35 per hour or less. In addition, the Committee recommended that the $4.00-per-hour exemption for individual employees be continued, but that employers be given the choice of including *or* excluding these individuals in making compliance calculations. The Council has decided to accept these recommendations, and section 705B-8 is modified accordingly. The new low-wage exemption for employee units reduces administrative burdens on companies with significant numbers of low-wage employees and helps to prevent problems associated with compression of the pay structure that can result from application of the exemption for individual low-wage workers. Allowing employers the option of including or excluding low-wage individuals is in keeping with the Council's policy of administering the standard in a flexible manner where this is not inconsistent with the objectives of the anti-inflation program.

Explanatory questions and answers on this matter are also being published by the Council.

The Council is publishing these materials on an interim final basis since many companies that are establishing their pay plans have a need to know and must be able to rely on the Council's new treatment of low-wage employees. The Council has provided a 30-day comment period, since it is important to receive any public comments as soon as possible so that any changes may be made rapidly. However, companies may rely fully on these interim final changes to Part 705 and the questions and answers until these materials are modified.

Issued in Washington, D.C., December 21, 1979.

**R. Robert Russell,**

*Director, Council on Wage and Price Stability.*

Accordingly, in the Appendix to Part 705, section 705B-8 is revised on an interim basis to read as follows:

*705B-8 Low-Wage Exemption.*

(a) Employee units with an average straight-time hourly wage rate of $5.35 or less during the third quarter of 1979 are exempt from the pay standard in the second program year.

(b) Individual employees in other employee units who were earning $4.00 or less per hour in straight-time wages on October 1, 1978, may be either excluded from or included in all pay-rate computations for the second program year. If such employees are included, any portion of their pay-rate increases that exceeds the pay standard should be excluded in determining compliance. Employees should also be prepared to demonstrate that, if low-wage employees are included, they are being treated equitably.

In addition to amending section 705B-8, the Council is publishing the following questions and answers relating to the voluntary pay standard:

*II J. Low-wage exemption.*

Q1. Which individual employees are exempt under § 705B-8?

A. Employees who were earning $4.00 per hour or less in straight-time wages on October 1, 1978, and all employees hired since that date at a straight-time wage rate of $4.00 per hour or less.

Q2. Is there any ceiling on the pay-rate increases granted to employees