

**Recruitment and Relocation Bonuses and Retention Allowances:** Effective July 20, 2001, the Office of Personnel Management (OPM) issued final regulations allowing agencies to pay recruitment and relocation bonuses and retention allowances to prevailing rate (Federal Wage System) employees. Subchapter 575 in the DoD Civilian Personnel Manual accommodates this change.

The final regulations can be found on the OPM Federal Register Web Site. Select the format you would like to view the document in below:

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OPM also had proposed allowing agencies to pay retention allowances to current employees likely to leave for other Federal employment under certain limited circumstances. The Federal Register notice explains that OPM needs more time to evaluate the comments it received on this proposal.

# Rules and Regulations

Federal Register

Vol. 66, No. 140

Friday, July 20, 2001

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 575

RIN 3206-AJ08

### Recruitment and Relocation Bonuses and Retention Allowances

**AGENCY:** Office of Personnel Management.

**ACTION:** Final rule.

**SUMMARY:** The Office of Personnel Management is issuing final regulations to provide agencies with greater flexibility to use recruitment and relocation bonuses and retention allowances. These regulations will allow agencies to pay recruitment and relocation bonuses and retention allowances to prevailing rate (wage) employees.

**DATES:** These final regulations will become effective on July 20, 2001.

**FOR FURTHER INFORMATION CONTACT:** Jeanne Jacobson, (202) 606-2858; FAX: (202) 606-0824; email: payleave@opm.gov.

**SUPPLEMENTARY INFORMATION:** On January 19, 2001, the Office of Personnel Management (OPM) published proposed regulations to amend the recruitment and relocation bonus and retention allowance regulations in 5 CFR part 575, subparts A, B, and C, to provide agencies with additional flexibility to use these incentives (66 FR 5491). The proposed regulations would allow agencies to grant a retention allowance to a current employee likely to leave for other Federal employment under certain limited circumstances. The proposed regulations also would allow agencies to pay recruitment and relocation bonuses and retention allowances to an employee in a prevailing rate (wage) position, as defined in 5 U.S.C. 5342(a)(3).

These final regulations contain only those provisions from the proposed regulations that allow agencies to pay recruitment and relocation bonuses and retention allowances to prevailing rate (wage) employees. Comments received from Federal agencies strongly support the proposal to allow the payment of recruitment and relocation bonuses and retention allowances to wage employees. One agency asked that OPM issue the final regulations implementing this authority as quickly as possible so that it may use these incentives immediately to help address critical recruitment and retention problems. In response to these concerns, we are issuing final regulations to allow agencies to use recruitment, relocation, and retention payments immediately for prevailing rate (wage) positions.

We received many comments on our proposal to allow agencies to grant a retention allowance to a current employee likely to leave for other Federal employment under certain circumstances. The commenters raised various issues concerning the criteria for paying a retention allowance in these circumstances, and additional time is needed to consider these issues.

### Executive Order 12866, Regulatory Review

This rule has been reviewed by the Office of Management and Budget in accordance with Executive Order 12866.

### Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities because they will apply only to Federal agencies and employees.

### Waiver of Delay in Effective Date

Pursuant to 5 U.S.C. 553(d)(3), I find that good cause exists to make these regulations effective in less than 30 days. In their comments to OPM, agencies expressed an urgent need to use the recruitment and relocation bonus and retention allowance authorities as soon as possible to help address serious problems in recruiting and retaining prevailing rate (wage) employees. Since use of the recruitment and relocation bonus and retention allowance authorities is discretionary, waiving the 30-day delay in the effective date of these regulations will not place an administrative burden on any Federal agency.

### List of Subjects in 5 CFR Part 575

Government employees, Wages.

Office of Personnel Management

Steven R. Cohen,

Acting Director.

Accordingly, OPM is amending part 575 of title 5, Code of Federal Regulations, as follows:

### PART 575—RECRUITMENT AND RELOCATION BONUSES; RETENTION ALLOWANCES; SUPERVISORY DIFFERENTIALS

1. The authority citation for part 575 continues to read as follows:

**Authority:** 5 U.S.C. 1104(a)(2), 5753, 5754, and 5755; secs. 302 and 404 of the Federal Employees Pay Comparability Act of 1990 (FEPCA) (Pub. L. 101-509), 104 Stat. 1462 and 1466, respectively; E.O. 12748, 3 CFR, 1992 Comp., p. 316.

#### Subpart A—Recruitment Bonuses

2. In § 575.102, paragraph (a)(5) is amended by removing “or”; paragraph (a)(6) is amended by removing “. ” and inserting in its place “; or”; and a new paragraph (a)(7) is added to read as follows:

#### § 575.102 Delegation of authority.

(a) \* \* \*

(7) A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3).

\* \* \* \* \*

#### Subpart B—Relocation Bonuses

3. In § 575.202, paragraph (a)(5) is amended by removing “or”; paragraph (a)(6) is amended by removing “. ” and inserting in its place “; or”; and a new paragraph (a)(7) is added to read as follows:

#### § 575.202 Delegation of authority.

(a) \* \* \*

(7) A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3).

\* \* \* \* \*

#### Subpart C—Retention Allowances

4. In § 575.302, paragraph (a)(5) is amended by removing “or”; paragraph (a)(6) is amended by removing “. ” and inserting in its place “; or”; and a new paragraph (a)(7) is added to read as follows:

#### § 575.302 Delegation of authority.

(a) \* \* \*

(7) A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3).

\* \* \* \* \*

[FR Doc. 01-18034 Filed 7-19-01; 8:45 am]

BILLING CODE 6325-39-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 2000-NM-330-AD; Amendment 39-12336; AD 2001-15-02]

RIN 2120-AA64

#### Airworthiness Directives; Boeing Model 747 Series Airplanes Powered By Pratt & Whitney JT9D-3 and -7 Series Engines

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Final rule.

**SUMMARY:** This amendment supersedes an existing airworthiness directive (AD), applicable to certain Boeing Model 747 series airplanes, that currently requires repetitive inspections and torque checks of the hanger fittings and strut forward bulkhead of the forward engine mount and adjacent support structure, and corrective actions, if necessary. The existing AD also provides for optional terminating action for the repetitive inspections and checks. This amendment requires certain new repetitive torque checks and the previously optional terminating action. The actions specified by this AD are intended to prevent loose fasteners and associated damage to the hanger fittings and bulkhead of the forward engine mount, which could result in separation of the engine from the airplane.

**DATES:** Effective August 24, 2001.

The incorporation by reference of Boeing Alert Service Bulletin 747-54A2203, dated August 31, 2000, as listed in the regulations, was approved previously by the Director of the Federal Register as of December 6, 2000 (65 FR 69862, November 21, 2000).

**ADDRESSES:** The service information referenced in this AD may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Tamara Anderson, Aerospace Engineer,

Airframe Branch, ANM-120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2771; fax (425) 227-1181.

**SUPPLEMENTARY INFORMATION:** A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) by superseding AD 2000-23-16, amendment 39-11988 (65 FR 69862, November 21, 2000), which is applicable to certain Boeing Model 747 series airplanes, was published in the **Federal Register** on February 15, 2001 (66 FR 10387). The action proposed to continue to require repetitive inspections and torque checks of the hanger fittings and strut forward bulkhead of the forward engine mount and adjacent support structure, and corrective actions, if necessary. The action also proposed to mandate certain new repetitive torque checks and the previously optional terminating action.

#### Comments

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

#### *Request to Eliminate Repetitive Inspections/Checks and Terminating Action*

One commenter states that, if the initial torque check shows no loose fastener is installed, the repetitive inspections/checks and terminating action should not be required. The commenter's rationale for this request is that the cause of the loose fasteners is incorrect grip length of fasteners installed during a strut and wing modification.

The FAA infers that the commenter is stating that, if the fastener is not loose at the time of the initial inspection, it will not become loose later, and is requesting that we remove these requirements from this AD. The FAA does not concur. If the wrong grip-length of fastener is installed, damage of the fastener thread run-out may have occurred during initial installation of the fastener due to shanking of the fastener. This could lead to a problem with the durability of the fastener. No change to the final rule is necessary in this regard.

#### **Reduce Torque Values for Loose Fastener Check**

One commenter requests that the FAA revise the proposed rule to reduce the torque values for the loose fastener check to the minimum value. As an example, the commenter refers to the torque value of 250 inch-pounds for the

NAS6706 fastener listed in Table 1 of Figure 3 of Boeing Alert Service Bulletin 747-54A2203, dated August 31, 2000. The commenter states that this value should be 220 inch-pounds because that is the minimum installation torque required.

The FAA does not concur with the commenter's request. The difference in torque value to which the commenter refers is very small. If an operator determines that a fastener is NOT loose at a torque value of 220 inch-pounds but IS loose at a torque value of 250 inch-pounds, the operator may apply for an alternative method of compliance according to the provisions of paragraph (d) of this AD. No change to the final rule is necessary in this regard.

#### *Clarify Instructions for Torque Check*

One commenter requests that the FAA clarify how the torque check should be accomplished. The commenter specifically asks whether or not the fastener head should be retained if torque is applied to the nut end.

The FAA does not concur that any further clarification on this issue is necessary. The applicable service bulletin specifies that the torque check is intended to test whether the fastener rotates. The fastener head should not be retained because, if it is retained, it may be impossible to determine whether the fastener rotated before reaching the specified torque in Figure 3 of the service bulletin. No change to the final rule is necessary in this regard.

#### **Explanation of Change to Alternative Method of Compliance (AMOC) Paragraph**

Since the issuance of the proposed rule, the FAA has approved AMOCs for AD 2000-23-16. AMOCs approved previously in accordance with AD 2000-23-16 are considered acceptable for compliance with corresponding actions in this AD. Accordingly, a new paragraph (d)(2) has been added to this final rule.

#### **Conclusion**

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the change previously described. The FAA has determined that this change will neither increase the economic burden on any operator nor increase the scope of the AD.

#### **Cost Impact**

There are approximately 366 Model 747 series airplanes of the affected design in the worldwide fleet. The FAA

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[Rules and Regulations]

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From the Federal Register Online via GPO Access [wais.access.gpo.gov]

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AGENCY: Office of Personnel Management.

ACTION: Final rule.

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DATES: These final regulations will become effective on July 20, 2001.

FOR FURTHER INFORMATION CONTACT: Jeanne Jacobson, (202) 606-2858; FAX: (202) 606-0824; email: [payleave@opm.gov](mailto:payleave@opm.gov).

SUPPLEMENTARY INFORMATION: On January 19, 2001, the Office of Personnel Management (OPM) published proposed regulations to amend the **recruitment** and **relocation** bonus and **retention** allowance regulations in 5 CFR part 575, subparts A, B, and C, to provide agencies with additional flexibility to use these incentives (66 FR 5491). The proposed regulations would allow agencies to grant a **retention** allowance to a current employee likely to leave for other Federal employment under certain limited circumstances. The proposed regulations also would allow agencies to pay **recruitment** and **relocation bonuses** and **retention allowances** to an employee in a prevailing rate (wage) position, as defined in 5 U.S.C. 5342(a)(3).

These final regulations contain only those provisions from the proposed regulations that allow agencies to pay **recruitment** and **relocation bonuses** and **retention allowances** to prevailing rate (wage) employees. Comments received from Federal agencies strongly support the proposal to allow the payment of **recruitment** and **relocation bonuses** and **retention allowances** to wage employees. One agency asked that OPM issue the final regulations implementing this authority as quickly as possible so that it may use these incentives immediately to help address critical **recruitment** and **retention** problems. In response to these concerns, we are issuing final regulations to allow agencies to use **recruitment**, **relocation**, and **retention** payments immediately for prevailing rate (wage) positions.

We received many comments on our proposal to allow agencies to grant a **retention** allowance to a current employee likely to leave for other Federal employment under certain circumstances. The commenters raised various issues concerning the criteria for paying a **retention** allowance in these circumstances, and additional time is needed to consider these issues.

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I certify that these regulations will not have a significant economic impact on a substantial number of small entities because they will apply only to Federal agencies and employees.

## Waiver of Delay in Effective Date

Pursuant to 5 U.S.C. 553(d)(3), I find that good cause exists to make these regulations effective in less than 30 days. In their comments to OPM, agencies expressed an urgent need to use the **recruitment** and **relocation** bonus and **retention** allowance authorities as soon as possible to help address serious problems in recruiting and retaining prevailing rate (wage) employees. Since use of the **recruitment** and **relocation** bonus and **retention** allowance authorities is discretionary, waiving the 30-day delay in the effective date of these regulations will not place an administrative burden on any Federal agency.

## List of Subjects in 5 CFR Part 575

Government employees, Wages.

Office of Personnel Management  
Steven R. Cohen,  
Acting Director.

Accordingly, OPM is amending part 575 of title 5, Code of Federal Regulations, as follows:

### PART 575--**RECRUITMENT AND RELOCATION BONUSES; RETENTION ALLOWANCES; SUPERVISORY DIFFERENTIALS**

1. The authority citation for part 575 continues to read as follows:

Authority: 5 U.S.C. 1104(a)(2), 5753, 5754, and 5755; secs. 302 and 404 of the Federal Employees Pay Comparability Act of 1990 (FEPCA) (Pub. L. 101-509), 104 Stat. 1462 and 1466, respectively; E.O. 12748, 3 CFR, 1992 Comp., p. 316.

### Subpart A--**Recruitment Bonuses**

2. In Sec. 575.102, paragraph (a)(5) is amended by removing ``or''; paragraph (a)(6) is amended by removing ``.''' and inserting in its place ``; or''; and a new paragraph (a)(7) is added to read as follows:

Sec. 575.102 Delegation of authority.

(a) \* \* \*

(7) A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3).

\* \* \* \* \*

Subpart B--**Relocation Bonuses**

3. In Sec. 575.202, paragraph (a)(5) is amended by removing ``or''; paragraph (a)(6) is amended by removing ``.''' and inserting in its place ``; or''; and a new paragraph (a)(7) is added to read as follows:

Sec. 575.202 Delegation of authority.

(a) \* \* \*

(7) A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3).

\* \* \* \* \*

Subpart C--**Retention Allowances**

4. In Sec. 575.302, paragraph (a)(5) is amended by removing ``or''; paragraph (a)(6) is amended by removing ``.''' and inserting in its place ``; or''; and a new paragraph (a)(7) is added to read as follows:

Sec. 575.302 Delegation of authority.

(a) \* \* \*

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(7) A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3).

\* \* \* \* \*

[FR Doc. 01-18034 Filed 7-19-01; 8:45 am]

BILLING CODE 6325-39-P