



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

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To All Employees
From DSD, Support Services
Subject: Exempt Overtime Rate Change

The National Defense Authorization Act (Public Law 108-136) enacted on November 24, 2003, amended Title 5 to change the method for calculating exempt employee overtime rates. For FLSA-exempt employees who are entitled to receive overtime pay under 5 U.S.C. 5542 (a)(2), the hourly rate of overtime pay is now the **greater** of:

- (1) One and one-half times the minimum hourly rate of basic pay for GS-10, Step 1 (including any applicable special salary rate, locality rate of pay, or special pay adjustment for law enforcement officer), **or**
- (2) The employee's own hourly rate of basic pay (including any applicable special salary rate, locality rate of pay, or special pay adjustment for law enforcement officers).

In pay period 0404 (January 25 – February 7, 2004), FPPS will implement this change. In addition, the new overtime rate will be retroactively applied and the difference between old and new rate paid to all exempt employees who earned overtime between November 24, 2003, and January 24, 2004.

If you have any questions about this new rate of pay, please call the National Business Center's Payroll Information Line at 303-969-7732.

Signed by:
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