

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
COLORADO STATE OFFICE
2850 YOUNGFIELD STREET
LAKEWOOD, COLORADO 80215**

February 23, 2004

In Reply Refer To
1400-551 (CO-953) P

EMS Transmission 02/23/2004
Information Bulletin No. CO-2004-017

To: All Employees
From: State Director
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 at the GS-10/2 pay rate and above, 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).

For example – the current overtime rate for a GS-10/1 is \$31.41 per hour, using the Rest of US pay scale. For a GS-12/1 employee making \$27.58 per hour, their overtime rate remains the same, \$31.41 per hour. However, a GS-12/10 employee, making \$35.85, will see their overtime rate increase from \$31.41 per hour to \$35.85 per hour.

The DOI National Business Center implemented this change in pay period 0404 (January 25 – February 7, 2004). 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.

This change does not impact the supervisor's right to compensate an exempt employee with compensatory time in lieu of overtime.

This change does not apply to individuals assigned fire suppression activities.

If you have any questions regarding this change, please contact your servicing Human Resources Specialist.

Signed by
Ron Wenker
State Director

Authenticated by
EMS Operator
Don Snow