



TSA MD 1100.53-4 Handbook

TSA MD 1100.53-4, Pay Limitations for TSA Employees Covered Under the Core Compensation System (Non-TSES)

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Approval

Signed

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**Transportation
Security
Administration**

This Handbook and all related Attachments and/or Appendices contain stipulations to implement the provisions of [TSA MD 1100.53-4, Pay Limitations for TSA Employees Covered Under the Core Compensation System \(Non-TSES\)](#). Until such time as TSA MD 1100.53-4 is rescinded, the Management Directive, Handbook, and any Attachments or Appendices are considered TSA policy, and must be applied accordingly.

Summary of Changes:

- Salary amounts throughout the handbook have been updated to indicate 2017 figures.

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A. Definitions:

1. **Annual Aggregate Compensation:** The total amount of all compensation, to include bonuses, awards, locality pay, premium pay, or other similar payments, employees may receive in a calendar year in addition to their basic pay.
2. **Comparability Equivalent Increase (CEI):** An increase to the rate of basic pay for employees in the Core Compensation System, which is based on the Executive Order that authorizes the annual pay increase for civilian federal employees. The CEI is typically effective in the first pay period of a new calendar year.
3. **Core Compensation System:** TSA's compensation management program covering all employees who are not members of the Transportation Security Executive Service (TSES), which outlines the policies, procedures, and guidelines that TSA will use to determine the compensation of employees in those positions. Positions in the Core Compensation System are in pay plan SV.
4. **Locality Pay:** The locality-based comparability payment payable to employees covered by the Core Compensation System.
5. **Premium Pay:** Includes various types of pay (e.g., overtime, compensatory time off in lieu of overtime, hazardous duty pay, holiday premium pay, night pay differential, split-shift differential, Sunday pay, LEAP, danger pay allowance, and foreign post differential) that may be added to an employee's rate of adjusted pay. Please refer to [TSA MD 1100.55-8, *Premium Pay*](#), for additional information.
6. **Rate of Adjusted Pay:** The rate of basic pay and locality pay before any deductions.
7. **Rate of Basic Pay:** The rate of pay in the Core Compensation System for the positions to which employees are or will be newly appointed. The rate of basic pay includes a retained rate, but excludes additional pay of any kind (e.g., locality pay, premium pay, etc.). Basic pay is also commonly known as base salary.

B. Procedures:

The following pay limitations apply to personnel actions effected on or after January 8, 2017.

1. **Basic Pay Limitation:** The annual payable rate of basic pay for employees is limited to \$161,900, which is the 2017 rate of pay for Level IV of the Executive Schedule. Employees whose pay would otherwise exceed the basic pay limit are not entitled to any additional basic pay compensation, including any Comparability Equivalent Increase (CEI).

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2. **Adjusted Pay Limitation:** The annual payable rate of adjusted pay for employees is limited to \$179,557, which is the 2017 maximum rate of pay for Level 2 of the TSES Salary Ranges. Employees whose pay would otherwise exceed the adjusted pay limit are not entitled to any additional basic pay or locality pay, including any CEI or locality increase.

3. **Biweekly Premium Pay Limitation:** The biweekly premium pay limitation does not apply to overtime for non-exempt employees as defined in TSA MD 1100.55-8, *Premium Pay*. However, other types of premium pay, (also defined in TSA MD 1100.55-8, *Premium Pay*), when combined with biweekly adjusted pay is subject to the biweekly premium pay limitation.
 - (a) K Band and Below: Employees in pay bands A through K may receive premium pay for a biweekly pay period only to the extent that the payment does not exceed the greater of the biweekly adjusted rate payable for the maximum of the K band for the applicable locality area for 2017 or the rate payable for level V of the Executive Schedule (see attached chart). This is limited to the biweekly maximum rate of pay for Level 2 of the TSES Salary Ranges.

 - (b) L and M Band: Employees may receive premium pay for a biweekly pay period only to the extent that the payment does not cause biweekly adjusted pay, when combined with premium pay, to exceed \$6,883.20 in 2017.

4. **Waiving the Biweekly Premium Pay Limitation:**
 - (a) Waiver of the biweekly premium pay limitation is discretionary and is not an employee entitlement.

 - (b) In certain situations involving the performance of work in connection with an emergency critical to the mission of the agency, the Assistant Secretary may waive the biweekly premium pay limitation. In such instances, employees may receive premium pay only to the extent the aggregate of adjusted pay and premium pay for the *calendar year* does not exceed \$240,100 in 2017.

 - (c) During calendar year 2017, the Administrator may waive the biweekly limitation on premium pay above the level established in Section B3 for certain employees. This is a special authority that must be renewed by the President each year.

In instances described in this paragraph, the total aggregate compensation of an employee with an approved waiver may not exceed the annual aggregate compensation limitation of \$240,100 in calendar year 2017. Any premium pay earned that exceeds \$240,100 will be forfeited.

5. Annual Aggregate Compensation Limitation:

- (a) Employees may not receive any portion of any allowance, bonus/incentive, award, locality pay, premium pay, or other similar payment in any calendar year which, when combined with their basic pay, would cause their annual aggregate compensation to exceed \$240,100 at the end of the calendar year.

- (b) In unique circumstances where the services of an individual with highly specialized qualifications are required, the Assistant Administrator, OHC may waive the annual aggregate compensation limitation and raise it to an amount not to exceed \$250,000, for the payment of a recruitment, relocation, or retention incentive. Excess payments that would cause an employee's total compensation to exceed the annual aggregate compensation limitation of \$240,100 may be deferred and paid in a lump-sum payment at the beginning of the following calendar year.

- (c) A Separate Maintenance Allowance (SMA), when granted for employees in foreign duty locations that are considered dangerous, notably unhealthful, or involve living conditions that are excessively adverse, is not subject to the annual aggregate compensation limitation.

Attachment 1

2017 BIWEEKLY PREMIUM PAY LIMITS (K Band & Below)		
Locality Pay Area	Locality Pay Percentage	Biweekly Cap
Alaska	27.13%	\$6,639.20
Albany–Schenectady, NY	15.85%	\$6,050.40
Albuquerque–Santa Fe–Las Vegas, NM	15.36%	\$6,024.80
Atlanta–Athens–Clarke County–Sandy Springs, GA-AL	20.70%	\$6,304.00
Austin–Round Rock, TX	15.97%	\$6,056.80
Boston–Worcester–Providence, MA-RI-NH-CT-ME	26.73%	\$6,618.40
Buffalo–Cheektowaga, NY	18.66%	\$6,196.80
Charlotte–Concord, NC-SC	15.65%	\$6,040.00
Chicago–Naperville, IL-IN-WI	26.85%	\$6,624.80
Cincinnati–Wilmington–Maysville, OH-KY-IN	19.52%	\$6,242.40
Cleveland–Akron–Canton, OH	19.71%	\$6,252.00
Colorado Springs, CO	15.99%	\$6,057.60
Columbus–Marion–Zanesville, OH	18.49%	\$6,188.00
Dallas–Fort Worth, TX-OK	22.61%	\$6,403.20
Davenport–Moline, IA-IL	15.56%	\$6,035.20
Dayton–Springfield–Sidney, OH	17.59%	\$6,141.60
Denver–Aurora, CO	24.65%	\$6,509.60
Detroit–Warren–Ann Arbor, MI	25.68%	\$6,564.00
Harrisburg–Lebanon, PA	15.63%	\$6,039.20
Hartford–West Hartford, CT-MA	27.57%	\$6,662.40
Hawaii	17.92%	\$6,158.40
Houston–The Woodlands, TX	30.97%	\$6,840.00
Huntsville–Decatur–Albertville, AL	17.82%	\$6,153.60
Indianapolis–Carmel–Muncie, IN	15.85%	\$6,050.40
Kansas City–Overland Park–Kansas City, MO-KS	15.59%	\$6,036.80
Laredo, TX	16.68%	\$6,093.60
Las Vegas–Henderson, NV-AZ	15.93%	\$6,054.40
Los Angeles–Long Beach, CA	29.65%	\$6,771.20
Miami–Fort Lauderdale–Port St. Lucie, FL	22.13%	\$6,378.40
Milwaukee–Racine–Waukesha, WI	19.61%	\$6,246.40
Minneapolis–St. Paul, MN-WI	22.72%	\$6,408.80

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2017 BIWEEKLY PREMIUM PAY LIMITS (K Band & Below)		
Locality Pay Area	Locality Pay Percentage	Biweekly Cap
New York–Newark, NY-NJ-CT-PA	31.22%	\$6,852.80
Palm Bay–Melbourne–Titusville, FL	15.48%	\$6,031.20
Philadelphia–Reading–Camden, PA-NJ-DE-MD	23.87%	\$6,468.80
Phoenix–Mesa–Scottsdale, AZ	18.57%	\$6,192.80
Pittsburgh–New Castle–Weirton, PA-OH-WV	17.86%	\$6,155.20
Portland–Vancouver–Salem, OR-WA	21.95%	\$6,368.80
Raleigh–Durham–Chapel Hill, NC	19.02%	\$6,216.00
Richmond, VA	18.19%	\$6,172.80
Sacramento–Roseville, CA-NV	24.14%	\$6,483.20
San Diego–Carlsbad, CA	26.98%	\$6,632.00
San Jose–San Francisco–Oakland, CA ¹	38.17%	\$6,883.20
Seattle–Tacoma, WA	24.24%	\$6,488.80
St. Louis–St. Charles–Farmington, MO-IL	15.83%	\$6,049.60
Tucson–Nogales, AZ	15.66%	\$6,040.80
Washington–Baltimore–Arlington, DC-MD-VA-WV-PA	27.10%	\$6,637.60
Rest of United States ²	15.06%	\$6,008.80

¹ Biweekly rate payable for maximum rate for Level 2 of the TSES

² Those portions of the United States and its territories and possessions (non-foreign areas) not located within another locality pay area.