



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

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CPM-2022-25

Memorandum for Heads of Executive Departments and Agencies

From: Kiran A. Ahuja
Director

Subject: Continued Pay Freeze for Certain Senior Political Officials

Section 747 of division E of the Consolidated Appropriations Act, 2023, contains a provision that continues the freeze on the payable pay rates for the Vice President and certain senior political appointees through the end of the last day of the last pay period that begins in calendar year 2023 (i.e., January 13, 2024, for those on the standard biweekly pay period cycle). Future Congressional action will determine whether the pay freeze continues beyond that date.

On April 19, 2022, the Office of Personnel Management issued guidance to notify agencies that the pay freeze for certain senior political officials had been extended through December 31, 2022. See [CPM 2022-09](#).

The detailed guidance attached to this memorandum provides information on the employees covered by the pay freeze, the rates of pay affected, and exceptions to the pay freeze. Please note that the attachments are updates to the guidance provided in CPM 2022-09.

Questions

Agency headquarters-level human resources offices may contact OPM at pay-leave-policy@opm.gov. Employees should contact their agency human resources offices for assistance.

Attachment

cc: Chief Human Capital Officers
Human Resources Directors

Guidance on Application of Pay Freeze for Certain Senior Political Officials

A. Authority

The pay freeze authority was originally found in section 741 of division E of the Consolidated Appropriations Act, 2014 ([Public Law 113-76](#), January 17, 2014). Subsequent legislation, including Continuing Resolutions, extended the pay freeze through calendar year 2018. Section 749 of division D of the Consolidated Appropriations Act, 2019 ([Public Law 116-6](#), February 15, 2019) applied a modified pay freeze to calendar year 2019. Subsequent legislation continued the pay freeze in calendar years 2020-2022. Section 747 of division E of the Consolidated Appropriations Act, 2023, continues the pay freeze during calendar year 2023. This pay freeze continues through the last day of the last pay period that begins in calendar year 2023 (i.e., January 13, 2024, for those on the standard biweekly pay period cycle).

Hereafter, all references to “section 747” in this attachment refer to the section 747 of division E of the Consolidated Appropriations Act, 2023.

In this guidance, we will presume that all freeze-covered employees (other than the Vice President) are on the standard biweekly pay period cycle.

B. Covered Senior Political Appointees

The section 747 pay freeze covers the following senior political appointees (except as otherwise provided in section C below):

1. An employee serving in an Executive Schedule (EX) position, or in a position for which the rate of pay is fixed by statute at an EX rate, and who holds a position under a political appointment;
2. A chief of mission or ambassador at large;
3. A noncareer appointee in the Senior Executive Service (SES) paid at or above the official rate for EX-IV (\$183,500 in 2023);
4. A limited term appointee or limited emergency appointee in the SES serving under a political appointment and paid at or above the official rate for EX-IV; and
5. Any other type of employee paid at or above the official rate for EX-IV who serves under a political appointment.

A covered individual is considered to be holding a “covered position.”

C. Noncovered Individuals

The section 747 pay freeze does not apply to—

- General Schedule employees, including Schedule C employees within that system;
- Foreign Service employees;

- Employees in another pay system (excluding those covered under paragraphs 1 through 4 of section B) whose position would be classified at or below GS-15 if the position were covered by the General Schedule, whose appointment is made under [5 U.S.C. 3161](#) (dealing with temporary organizations), or whose appointment is not considered to be political;
- Noncareer SES appointees and other political appointees (excluding those covered under paragraphs 1 and 2 of section B) who are paid below the official rate for EX-IV;
- SES career appointees who elect to retain SES basic pay under [5 U.S.C. 3392\(c\)](#) and [5 CFR 317.801](#) (for such time as that election is in effect); and
- Senior Foreign Service (SFS) members who receive a Presidential appointment to any position in the executive branch and who make an election to retain SFS salary under section 302(b) of the Foreign Service Act of 1980 ([Public Law 96-465](#)) (for such time as that election is in effect).

D. Political Appointees

In determining whether a limited term or limited emergency SES appointment may be a political appointment, an employing agency should consider whether the position is political in character (e.g., established for an individual pending a Presidential appointment subject to Senate confirmation (PAS), for political transition purposes, or for other political purposes of the agency or Administration). All SES limited appointments cleared through the Office of Presidential Personnel are considered political appointments.

Certain agencies may have special political appointment authorities. In determining whether an appointment is political, an employing agency should consider the same factors described in the preceding paragraph. A Presidential appointee is considered a political appointee unless the position is filled by a career appointment.

E. Pay Affected

Section 747 applies to rates of pay—i.e., rates of basic pay including, if applicable, any locality payment under [5 U.S.C. 5304](#) or any similar supplement under other authority. Section 747 does not address other types of payments in addition to the rate of basic pay.

Note: The August 3, 2010, OPM memorandum (CPM 2010-14) implementing a Presidential directive to freeze discretionary awards, bonuses, and similar payments for political appointees continues in effect until further notice. Agencies should continue to apply this freeze in accordance with OPM's guidance at <https://www.chcoc.gov/content/guidance-freeze-discretionary-awards-bonuses-and-similar-payments-federal-employees-serving>.

F. Application of the Pay Freeze in 2023

1. Section 747 continues the pay freeze during calendar year 2023. During 2023, a freeze-covered employee may not receive a pay rate increase, except as provided in section 747.
2. The Vice President's payable rate of pay during calendar year 2023 continues to be \$235,100.
3. The payable rates for freeze-covered Executive Schedule individuals (or an employee paid at an EX rate under law) during calendar year 2023 are shown in the table below. These are the same rates that applied in calendar year 2022, which were derived by increasing the 2013 EX rates by 1.9 percent and rounding to the nearest \$100.

Executive Schedule (EX) Level	Payable Frozen Annual Rates in 2023
EX-I	\$203,500
EX-II	\$183,100
EX-III	\$168,400
EX-IV	\$158,500
EX-V	\$148,500

4. For chiefs of mission and ambassadors at large who are paid at an EX rate, the payable EX rates shown in paragraph 3 above apply.
5. A freeze-covered SES member who is a political appointee paid at or above the official rate for EX-IV (\$183,500 in 2023) may not receive a pay rate increase during calendar year 2023. A freeze-covered senior-level (SL) employee who (1) is covered by [5 U.S.C. 5376](#) and (2) is a political appointee paid at or above the official rate for EX-IV (\$183,500 in 2023) also may not receive a pay rate increase during calendar year 2023. In 2023, the official EX-IV rate of \$183,500 that is used to determine pay freeze coverage is greater than the frozen EX-II maximum pay rate of \$183,100 that would normally apply to a freeze-covered SES or SL senior political official under an appraisal system that is certified and the frozen EX-III maximum pay rate of \$168,400 that would normally apply to a freeze-covered SES or SL senior political official under an appraisal system that is not certified. (See table in paragraph 3.) The pay rate for SES or SL senior political officials may be set and adjusted under normal pay-setting rules (i.e., without regard to any frozen rate limitations) up to the official EX-IV rate of \$183,500, since the senior political official is not covered by the pay freeze until that pay rate is reached. Once covered, the pay rate for such a senior political official may not exceed the official EX-IV rate of \$183,500.

6. A freeze-covered political appointee under any other pay system who is paid at or above the official rate for EX-IV (\$183,500 in 2023) may not receive a pay rate increase during calendar year 2023, except as allowed under section 747 (see section H of this guidance). If the pay limitations for a category of employees are linked to EX rates, the frozen EX rates shown in the table in paragraph 3 would be used. In 2023, the official EX-IV rate of \$183,500 that is used to determine pay freeze coverage is greater than the frozen EX-II, III, IV, and V rates. The pay rate for a senior political official (other than an official with pay rates linked to the EX rates as described in paragraph 3) may be set and adjusted under normal pay-setting rules (i.e., without regard to any frozen rate limitations) up to the official EX-IV rate of \$183,500 since the senior political official is not covered by the pay freeze until that pay rate is reached. Once covered, the pay rate for such a senior political official may not exceed the official EX-IV rate of \$183,500—unless the official is promoted within the applicable system under conditions that meet the requirements for a pay freeze exception (see section H of this guidance).

G. Pay Freeze Time Period

1. The senior political appointee pay freeze originally took effect on the first day of the first pay period beginning after the January 17, 2014, date of enactment of [Public Law 113-76](#). For employees on the standard biweekly pay period cycle, the effective date was January 26, 2014.
2. Section 747, which continues the pay freeze during calendar year 2023, took effect on the first day of the first pay period commencing on or after January 1, 2023—i.e., January 1, 2023, for employees on the standard biweekly pay period cycle.
3. Unless extended by new legislation, the pay freeze expires at the end of the last pay period that begins in calendar year 2023. For employees on the standard biweekly pay period cycle, that last pay period begins on December 31, 2023, and ends on January 13, 2024.
4. The pay freeze applies based on when pay is earned, not when it is paid. A pay rate increase is considered to be “received” when it takes effect, not when it is reflected in a salary payment.

H. Pay Freeze Rules

1. *General.* An individual who is covered by the section 747 pay freeze may not receive a pay rate increase during the pay freeze time period, except as specifically otherwise allowed under the rules in this section H.
2. *Treatment of individuals when increase would otherwise cause pay rate to exceed EX-IV.* Certain political appointees are not covered by the section 747 pay freeze provision because they are receiving a rate of pay below EX-IV. (See sections B and C of this attachment. Note that the official EX-IV rate (i.e., 2023 rate of \$183,500) must be used in applying this rule.) If such an individual receives a pay rate increase while the pay freeze is in effect, that pay rate increase may be applied based on the normal rules

governing pay adjustments for the applicable pay system only to the extent that it does not cause the individual's rate to exceed the official EX-IV rate. At the point the individual's pay rate reaches the EX-IV level, the individual becomes covered by the pay freeze (i.e., a covered individual); thus, no additional increase is permitted—unless a permitted exception is applicable.

3. *Increase for individuals who are moved to a position with higher-level duties and pay.* Notwithstanding Rule 1, an employee serving in an Executive Schedule (EX) position, or in a position for which the rate of pay is fixed by statute at an EX rate, and who holds a position under a political appointment may receive a pay increase during the pay freeze time period upon authorized movement to a different covered position with higher-level duties **and** a pre-established higher level or range of pay than the level or range of the position held immediately before the movement. However, any such increase must be based on the frozen rates of pay and applicable pay limitations in effect at the end of 2022 (i.e., the 2013 rates/limitations increased by 1.9 percent). (See section 747(i). Also, for limitations linked to EX rates, see the frozen EX rates in the table in section F.3.)

Example: On January 15, 2023, a political appointee moves from an EX-III position to an EX-II position. Prior to the movement, due to the section 747 pay freeze, the appointee was receiving a rate of \$168,400 (2013 level for EX-III plus 1.9 percent, as shown in the table in section F.3). Since the Rule 3 conditions are met, the appointee's pay rate may be increased to \$183,100 (2013 level for EX-II plus 1.9 percent, as shown in the table in section F.3).

4. *Initial pay rate for newly appointed individuals.* If an individual is newly appointed to a position covered by the section 747 pay freeze during the pay freeze time period, the individual's initial pay rate must be based on the rates of pay and applicable pay limitations in effect on December 31, 2022 (i.e., the 2013 rates/limitations after those rates and limitations are increased by 1.9 percent)—notwithstanding the official rates (or ranges) currently in effect for the position. (See section 747(j). Also, for limitations linked to EX rates, see the frozen EX rates in the table in section F.3.)

Example 1: On February 12, 2023, an individual who had not been serving in the Federal Government begins a Federal political appointment in an EX-III position. Since the Rule 4 conditions are met, the individual's initial pay rate must be set at \$168,400 (2013 level for EX-III plus 1.9 percent, as shown in the table in section F.3).

Example 2: On January 1, 2023, a noncareer SES appointee receives a pay increase to \$175,900 based upon a level 5 performance rating. On April 23, 2023, the noncareer appointee is being reassigned to a different SES position with substantially greater scope and responsibility, but the agency pay policy does not place its SES positions in tiers with different pre-established rates or ranges of pay based upon their levels of authority and responsibility. Since the pay rate before reassignment is below the 2023 EX-IV rate (\$183,500), the senior political official is not covered by the pay freeze and pay may be set and adjusted under normal SES pay-setting rules (i.e., without regard to any frozen rate limitations) up to the official EX-IV rate of

\$183,500. If the pay set upon reassignment is \$183,500, it would make this the noncareer appointee's first appointment to a covered position during the pay freeze time period. In that event, Rule 4 is met and pay must be set under section 747(j). Under SES pay rules, the January 2023 pay adjustment initiates a 12-month restriction on future pay adjustments, but the agency head or oversight official can authorize an exception under 5 CFR 534.404(c)(4)(ii) to provide an additional pay adjustment when necessary to reassign an executive to a position of substantially greater scope and responsibility. The lack of a tier system is not a hindrance because pay will be set under section 747(j) and not section 747(i). In this example, after authorizing an exception to the 12-month restriction, the agency head may provide an additional pay adjustment from \$175,900 up to the EX-IV official rate of \$183,500 based upon the level 5 rating and reassignment, at which point the noncareer appointee is covered by the pay freeze. (See also section F.5. for information on the pay freeze for noncareer SES in 2023.)

5. *Increases in Previously Frozen Rates.* Because the official EX-IV rate increased from \$176,300 to \$183,500 and because that rate is the trigger point for determining coverage under the pay freeze for SES, SL, and certain other employees, an employee's rate that was previously frozen in 2022 may not be subject to the freeze in 2023 and thus could be increased. For example, a freeze-covered SES member who was newly appointed in 2022 may have had the initial rate set at \$180,000 (between the EX-IV official rate of \$176,300 and the EX-II frozen rate of \$183,100 in 2022); since the SES member was covered by the pay freeze, the \$180,000 could not be increased. However, effective on January 1, 2023, the freeze does not apply to an SES member paid below the 2023 EX-IV official rate of \$183,500. Therefore, the SES member in this example could receive a pay increase in 2023 (subject to the SES pay-setting rules and agency SES pay-setting policies) as long as the increased rate does not exceed \$183,500.

I. Use of Official Pay Rates for Other Purposes

The pay freeze applies to the **payable** rates for covered senior political officials. The freeze does not affect the **official** rates for the Vice President and the Executive Schedule, which are adjusted under normally applicable law without regard to the pay freeze. While not payable to freeze-covered employees, those official rates continue to be used in establishing pay limitations for employees not covered by the pay freeze.

Accordingly—

- The 2023 cap on locality rates for General Schedule and other employees covered by the locality pay authority in [5 U.S.C. 5304](#) is the official rate for EX-IV in 2023 (i.e., \$183,500).
- The 2023 maximum rate for SES members covered by [5 U.S.C. 5382](#) and for Senior-Level (SL) and Scientific and Professional (ST) employees covered by [5 U.S.C. 5376](#) is the official rate for EX-III in 2023 (\$195,000)—or for EX-II (\$212,100) if covered by a certified performance appraisal system. (However, for SES or SL employees who are

senior political appointees covered by the pay freeze, the maximum payable rate of pay will be \$183,500—except for employees covered by a special pay authority with a pay cap linked to a rate above EX-II (in which case, the maximum payable rates of pay in 2023 will be based on the pay rates and limitations applicable to freeze-covered employees on December 31, 2022, as provided under section 747(j)).

- The 2023 limitation on annual aggregate compensation under [5 U.S.C. 5307](#) is the official rate in 2023 for EX-I (\$235,600) or for the Vice President (\$272,100) for those senior employees covered by that higher cap. These aggregate pay limitations based on official rates apply to employees covered by the section 747 pay freeze even though their rate of basic pay is set or adjusted under frozen pay limitations. (See Section E for information on the types of pay affected by the freeze.)
- The 2023 biweekly/annual limitation on premium pay combined with basic pay under [5 U.S.C. 5547](#) is based on the official rate for EX-V in 2023 (\$172,100) (where the EX-V rate exceeds the alternative cap of the applicable maximum GS adjusted rate of basic pay—i.e., for employees stationed in locations outside the United States).

Section 747 of Title VII of Division E of the Consolidated Appropriations Act, 2023

SEC. 747. (a) Notwithstanding any official rate adjusted under section 104 of title 3, United States Code, the rate payable to the Vice President during calendar year 2023 shall be the rate payable to the Vice President on December 31, 2022, by operation of section 747 of division E of Public Law 117–103.

(b) Notwithstanding any official rate adjusted under section 5318 of title 5, United States Code, or any other provision of law, the payable rate during calendar year 2023 for an employee serving in an Executive Schedule position, or in a position for which the rate of pay is fixed by statute at an Executive Schedule rate, shall be the rate payable for the applicable Executive Schedule level on December 31, 2022, by operation of section 747 of division E of Public Law 117–103. Such an employee may not receive a rate increase during calendar year 2023, except as provided in subsection (i).

(c) Notwithstanding section 401 of the Foreign Service Act of 1980 (Public Law 96–465) or any other provision of law, a chief of mission or ambassador at large is subject to subsection (b) in the same manner as other employees who are paid at an Executive Schedule rate.

(d)(1) This subsection applies to—

(A) a noncareer appointee in the Senior Executive Service paid a rate of basic pay at or above the official rate for level IV of the Executive Schedule; or

(B) a limited term appointee or limited emergency appointee in the Senior Executive Service serving under a political appointment and paid a rate of basic pay at or above the official rate for level IV of the Executive Schedule.

(2) Notwithstanding sections 5382 and 5383 of title 5, United States Code, an employee described in paragraph (1) may not receive a pay rate increase during calendar year 2023, except as provided in subsection (i).

(e) Notwithstanding any other provision of law, any employee paid a rate of basic pay (including any locality-based payments under section 5304 of title 5, United States Code, or similar authority) at or above the official rate for level IV of the Executive Schedule who serves under a political appointment may not receive a pay rate increase during calendar year 2023, except as provided in subsection (i). This subsection does not apply to employees in the General Schedule pay system or the Foreign Service pay system, to employees appointed under section 3161 of title 5, United States Code, or to employees in another pay system whose position would be classified at GS–15 or below if chapter 51 of title 5, United States Code, applied to them.

(f) Nothing in subsections (b) through (e) shall prevent employees who do not serve under a political appointment from receiving pay increases as otherwise provided under applicable law.

(g) This section does not apply to an individual who makes an election to retain Senior Executive Service basic pay under section 3392(c) of title 5, United States Code, for such time as that election is in effect.

(h) This section does not apply to an individual who makes an election to retain Senior Foreign Service pay entitlements under section 302(b) of the Foreign Service Act of 1980 (Public Law 96–465) for such time as that election is in effect.

(i) Notwithstanding subsections (b) through (e), an employee in a covered position may receive a pay rate increase upon an authorized movement to a different covered position only if that new position has higher-level duties and a pre-established level or range of pay higher than

the level or range for the position held immediately before the movement. Any such increase must be based on the rates of pay and applicable limitations on payable rates of pay in effect on December 31, 2022, by operation of section 747 of division E of Public Law 117–103.

(j) Notwithstanding any other provision of law, for an individual who is newly appointed to a covered position during the period of time subject to this section, the initial pay rate shall be based on the rates of pay and applicable limitations on payable rates of pay in effect on December 31, 2022, by operation of section 747 of division E of Public Law 117–103.

(k) If an employee affected by this section is subject to a biweekly pay period that begins in calendar year 2023 but ends in calendar year 2024, the bar on the employee’s receipt of pay rate increases shall apply through the end of that pay period.

(l) For the purpose of this section, the term “covered position” means a position occupied by an employee whose pay is restricted under this section.

(m) This section takes effect on the first day of the first applicable pay period beginning on or after January 1, 2023.