## § 9901.302

Various features that link pay to employees' performance ratings are designed to promote a high-performance culture within DoD.

- (b) Any pay system prescribed under this subpart will be established in conjunction with the classification system described in subpart B of this part.
- (c) Any pay system prescribed under this subpart will be established in conjunction with the performance management system described in subpart D of this part.

## §9901.302 Coverage.

- (a) This subpart applies to eligible DoD employees and positions in the categories listed in paragraph (b) of this section, subject to a determination by the Secretary under §9901.102(b) or (f).
- (b) The following employees of, or positions in, DoD organizational and functional units are eligible for coverage under this subpart:
- (1) Employees and positions who would otherwise be covered by the General Schedule pay system established under 5 U.S.C. chapter 53, subchapter III:
- (2) Employees in senior-level (SL) and scientific or professional (ST) positions who would otherwise be covered by 5 U.S.C. 5376;
- (3) Members of the Senior Executive Service (SES) who would otherwise be covered by 5 U.S.C. chapter 53, subchapter VIII, subject to §9901.102(d); and
- (4) Such others designated by the Secretary as DoD may be authorized to include under 5 U.S.C. 9902.

## $\S 9901.303$ Waivers.

- (a) When a specified category of employees is covered under this subpart—
- (1) The provisions of 5 U.S.C. chapter 53 are waived with respect to that category of employees, except as provided in §9901.106 and paragraphs (b) and (c) of this section; and
- (2) The provisions of 5 U.S.C. chapter 55, subchapter V (except sections 5544 and 5545b), are waived with respect to that category of employees to the extent that those employees are covered by alternative premium pay provisions established by the Secretary under §§ 9901.361 through 9901.364 in lieu of the

provisions in 5 U.S.C. chapter 55, subchapter V.

- (b) The following provisions of 5 U.S.C. chapter 53 are not waived:
- (1) Sections 5311 through 5318, dealing with Executive Schedule positions;
- (2) Sections 5341 through 5349, dealing with prevailing rate systems;
- (3) Section 5371, insofar as it authorizes OPM to apply the provisions of 38 U.S.C. chapter 74 to DoD employees in health care positions covered by section 5371 in lieu of any NSPS classification and pay system established under this part or the following provisions of title 5, U.S. Code: chapters 51, 53, and 61, and subchapter V of chapter 55. The reference to "chapter 51" in section 5371(c) is deemed to include a classification system established under subpart B of this part; and
- (4) Section 5377, dealing with the critical pay authority.
- (c) Section 5379 continues to apply but is modified to allow the Secretary to modify the minimum service period and the limitations on the amount of student loan benefits in order to address critical hiring needs, subject to §9901.105.

## § 9901.304 Definitions.

In this subpart:

Adjusted salary means an NSPS employee's base salary plus any local market supplement paid to that employee. For an employee moving into NSPS from a non-NSPS position, adjusted salary also refers to non-NSPS base salary plus any applicable locality pay under 5 U.S.C. 5304, special rate supplement under 5 U.S.C. 5305, or any equivalent supplement.

Band has the meaning given that term in §9901.103.

Base salary means an NSPS employee's pay, as set by the authorized management official, before deductions and exclusive of additional pay of any kind (e.g., local market supplement). For an employee moving into NSPS from a non-NSPS position, base salary also refers to non-NSPS pay, before deductions and exclusive of additional pay of any kind (e.g., locality pay or a special rate supplement).

Basic pay has the meaning given that term in §9901.103.