

OPM considers the following regulatory criteria under 5 CFR 532.211 when defining FWS wage area boundaries:

- (i) Distance, transportation facilities, and geographic features;
- (ii) Commuting patterns; and
- (iii) Similarities in overall population, employment, and the kinds and sizes of private industrial establishments.

Based on our analysis of the regulatory criteria for defining appropriated fund FWS wage areas, we find that the criteria for Clearwater, Mahnomen, and Becker Counties do not strongly favor defining the counties to one FWS wage area more than another. However, the IHS medical centers in northern Minnesota are in an unusual situation in that they are in a rural area that is economically and socially integrated by the local reservation system and not strongly integrated with the labor markets in either the North Dakota or Duluth FWS survey areas. It is desirable to have IHS employees aligned under one wage schedule because the area and population serviced by the medical centers serves as a unique labor market. However, there is insufficient private sector industry and FWS employment in northern Minnesota to meet OPM's regulatory requirements for establishing a separate FWS wage area for the IHS employees there. Because it is not feasible to establish a separate FWS wage area for IHS employees in northern Minnesota, the FWS employment locations must be defined to the area of application of an existing FWS wage area.

Analysis of OPM's regulatory criteria for defining FWS wage areas shows that the majority of IHS employment locations under the Bemidji Area in northern Minnesota are more closely aligned with the Duluth wage area than the North Dakota wage area. The White Earth, Red Lake, and Cass Lake Indian Health Centers are part of the Bemidji Area but their associated reservations are not entirely within the Duluth wage area. The White Earth Indian Reservation occupies the northern portion of Becker County and most of Mahnomen County, while the Red Lake and Cass Lake Indian Reservations occupy the northern portions of Clearwater County. We therefore propose that Clearwater and Mahnomen Counties be redefined from the North Dakota wage area to the Duluth wage area. We also propose that the White Earth Indian Reservation portion of Becker County be redefined from the North Dakota wage area to the Duluth wage area.

There are 11 IHS employees in Becker County, and none in Clearwater or Mahnomen Counties. There are several FWS employees stationed in the part of Becker County that we do not propose to define to the Duluth wage area. We believe the mixed nature of the regulatory analysis findings for Becker County indicates that the non-IHS employment locations in Becker County should remain appropriately defined to the North Dakota wage area. The affected IHS employees in Becker County would be placed on the wage schedule for the Duluth wage area after we publish final regulations in the **Federal Register**.

The Federal Prevailing Rate Advisory Committee (FPRAC), the national labor-management committee that advises OPM on FWS pay matters, reviewed and recommended these changes by consensus. Based on its review of the regulatory criteria for defining FWS wage areas, FPRAC recommended no other changes in the geographic definitions of the North Dakota and Duluth wage areas.

#### Regulatory Flexibility Act

I certify that these regulations would not have a significant economic impact on a substantial number of small entities because they would affect only Federal agencies and employees.

#### List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Freedom of information, Government employees, Reporting and recordkeeping requirements, Wages.

**Key Coles James,**

*Director, U.S. Office of Personnel Management.*

Accordingly, the Office of Personnel Management proposes to amend 5 CFR part 532 as follows:

#### PART 532—PREVAILING RATE SYSTEMS

1. The authority citation for part 532 continues to read as follows:

**Authority:** 5 U.S.C. 5343, 5346; § 532.707 also issued under 5 U.S.C. 552.

2. In appendix C to subpart B, the wage area listing for the State of Minnesota is amended by revising the listing for Duluth; and for the State of North Dakota, to read as follows:

#### Appendix C to Subpart B of Part 532—Appropriated Fund Wage and Survey Areas

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**MINNESOTA**  
**Duluth**  
*Survey Area*

Minnesota:

Carlton  
St. Louis  
Wisconsin:  
Douglas

*Area of Application. Survey area plus:*

Minnesota:  
Aitkin  
Becker (Including the White Earth Indian Reservation portion only)  
Beltrami  
Cass  
Clearwater  
Cook  
Crow Wing  
Hubbard  
Itasca  
Koochiching  
Lake  
Lake of the Woods  
Mahnomen  
Pine  
Wisconsin:  
Ashland  
Bayfield  
Burnett  
Iron  
Sawyer  
Washburn

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#### **NORTH DAKOTA** *Survey Area*

North Dakota:  
Burleigh  
Cass  
Grand Forks  
McLean  
Mercer  
Morton  
Oliver  
Traill  
Ward  
Minnesota:  
Clay  
Polk

*Area of Application. Survey area plus:*

North Dakota:  
Adams  
Barnes  
Benson  
Billings  
Bottineau  
Bowman  
Burke  
Cavalier  
Dickey  
Divide  
Dunn  
Eddy  
Emmons  
Foster  
Golden Valley  
Grant  
Griggs  
Hettinger  
Kidder  
La Moure  
Logan  
McHenry  
McIntosh  
McKenzie  
Mountrail  
Nelson  
Pembina