§ 5504. Biweekly pay periods; computation of pay

(a) The pay period for an employee covers two administrative workweeks.

(b) When, in the case of an employee, it is necessary for computation of pay under this subsection to convert an annual rate of basic pay to a basic hourly, daily, weekly, or biweekly rate, the following rules govern:

(1) To derive an hourly rate, divide the annual rate by 2,087.

(2) To derive a daily rate, multiply the hourly rate by the number of daily hours of service required.

(3) To derive a weekly or biweekly rate, multiply the hourly rate by 40 or 80, as the case may be.

Rates are computed to the nearest cent, counting one-half and over as a whole cent.

(c) For the purposes of this section:

(1) The term “employee” means—

(A) an employee in or under an Executive agency;

(B) an employee in or under the Office of the Architect of the Capitol, the Botanic Garden, and the Library of Congress, for whom a basic administrative workweek is established under section 6101 (a)(5) of this title; and

(C) an individual employed by the government of the District of Columbia.

(2) The term “employee” does not include—

(A) an employee on the Isthmus of Panama in the service of the Panama Canal Commission; or

(B) an employee or individual excluded from the definition of employee in section 5541 (2) of this title other than an employee or individual excluded by clauses (ii), (iii), and (xiv) through (xvii) of such section.

(3) Notwithstanding paragraph (2), an individual who otherwise would be excluded from the definition of employee shall be deemed to be an employee for purposes of this section if the individual’s employing agency so elects, under guidelines in regulations promulgated by the Office of Personnel Management under subsection (d)(2).

(d) (1) The Office of Personnel Management may prescribe regulations, subject to the approval of the President, necessary for the administration of this section insofar as this section affects employees in or under an Executive agency.

(2) The Office of Personnel Management shall provide guidelines by regulation for exemptions to be made by the heads of agencies under subsection (c)(3). Such guidelines shall provide for such exemptions only under exceptional circumstances.
In subsection (a), the words “Beginning not later than October 1, 1945” are omitted as executed. Paragraphs (1) and (3) are substituted for the words “all officers and employees of the organizations referred to in subsection (a) of this section”. In paragraph (A), the words “Canal Zone Government” and “Panama Canal Company” are substituted for “The Panama Canal” and “Panama Railroad Company” on authority of the Act of Sept. 26, 1950, ch. 1049, § 2(a), 64 Stat. 1038. Paragraph (B) is added on authority of former section 902, which is carried into section 5541.

In subsection (b), the exception in the last sentence is added on authority of former section 902, which is carried into section 5541.

Subsection (c) is added on authority of former section 945, which is carried into section 5548. The words “an Executive agency” are substituted for “the executive branch of the Government” to conform to the definition in section 105. Applicability of this section to employees of the General Accounting Office is based on former section 933a.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

### 1967 Act

This section amends 5 U.S.C. 5504 to reflect the amendment to 5 U.S.C. 6101 by section 1(43) of this bill.

#### Amendments


Subsec. (d). Pub. L. 108–136, § 1124(a)(1), (b), redesignated subsec. (c) as (d), inserted “(1)” after “(d)”, and added par. (2).

1986—Subsec. (b). Pub. L. 99–272 struck out first sentence which provided that for pay computation purposes affecting an employee, the annual rate of basic pay established by or under statute is deemed payment for employment during 52 basic administrative workweeks of 40 hours, inserted “, in the case of an employee,” after “When” in second sentence, substituted “2,087” for “2,080” in par. (1), and inserted “other than an employee or individual excluded by section 5541 (2)(xvi) of this title” at end of last sentence.

1979—Subsec. (a)(A). Pub. L. 96–70 substituted “Panama Canal Commission” for “Canal Zone Government or the Panama Canal Company”.

Subsec. (a)(B). Pub. L. 96–54 substituted “(xvi) of this title” for “(xvi) of this section”.

1978—Subsec. (a), Pub. L. 95–454, § 408(a)(1), in par. (B) inserted reference to an employee or individual excluded by section 5541 (2)(xvi).


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<table>
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<tr>
<th>Derivation</th>
<th>U.S. Code</th>
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<tr>
<td>(a)</td>
<td>5 U.S.C. 944(b), (d) (last 27 words, as applicable to subsection (b)).</td>
<td>June 30, 1945, ch. 212, § 604(b), (e) (last 27 words, as applicable to subsection (b)), 59 Stat. 303, 304.</td>
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<tr>
<td>July 31, 1959, Pub. L. 86–122, § 1, 73 Stat. 268.</td>
<td>(b) 5 U.S.C. 944(c), (d) (last 27 words, less applicability to subsection (b)).</td>
<td>June 30, 1945, ch. 212, § 604(d), (e) (last 27 words, less applicability to subsection (b)), 59 Stat. 303, 304.</td>
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</tbody>
</table>
Effective Date of 1986 Amendment
Section 15203(b) of Pub. L. 99–272 provided that: “The amendments made by subsection (a) [amending this section] shall be effective with respect to pay periods commencing on or after March 1, 1986.”

Effective Date of 1979 Amendments
Amendment by Pub. L. 96–70 effective Oct. 1, 1979, see section 3304 of Pub. L. 96–70, set out as an Effective Date note under section 3601 of Title 22, Foreign Relations and Intercourse.
Amendment by Pub. L. 96–54 effective July 12, 1979, see section 2(b) of Pub. L. 96–54, set out as a note under section 305 of this title.

Effective Date of 1978 Amendment

Delegation of Functions
Functions vested in Office of Personnel Management under this section insofar as it affects officers and employees in or under executive branch of government to be performed without approval of President, see section 1(1) of Ex. Ord. No. 11228, June 14, 1965, 30 F.R. 7739, set out as a note under section 301 of Title 3, The President.

Determination of Hourly Rate
“(1) Notwithstanding any other provision of law, effective with respect to pay periods beginning in fiscal years 1984 and 1985, and applicable in the case of an employee as defined in section 5504 (b) of title 5, United States Code [subsection (b) of this section], any hourly rate derived under section 5504 (b)(1) of title 5, United States Code, shall be derived by dividing the annual rate of basic pay by 2,087.
“(2) Paragraph (1) shall not apply in determining basic pay for purposes of subchapter III of chapter 83 of title 5, United States Code.
“(3) The Office of Personnel Management may prescribe regulations necessary for the administration of this subsection insofar as this subsection affects employees in or under an Executive agency.
“(4) Notwithstanding any other provision of this subsection, paragraph (1) shall not be effective with respect to pay periods beginning before the effective date of any increase under section 5305 of title 5, United States Code, in the rates of pay under the General Schedule and the rates of pay under the other statutory pay systems for fiscal year 1984.”

[Section 2 of Pub. L. 98–117 provided that: “The amendment made by this Act [enacting par. (4) of this note] shall be effective as of October 1, 1983.”]