



# TECHNICIAN POLICY LETTER

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## MAXIMUM PAYABLE RATE RULE

1. PURPOSE: The purpose of this policy is to provide management sufficient flexibility when applying the "Maximum Payable Rate" rule; taking into consideration Agency needs, quality of experience and equality among employees as determining factors.

This policy is applicable to all General Schedule (GS/<sup>GA</sup>~~EM~~) and Federal Wage System (WG/WL/WS) technicians; Excepted and Competitive.

2. DEFINITIONS: TECHNICIAN: An individual employed by the National Guard as a civilian employee of the Federal Government, temporary or permanent, Excepted or Competitive; in a full time or part time capacity.

HIGHEST PREVIOUS RATE: The highest rate of basic pay previously paid to a person while employed in a position of the Federal Government under an appointment not limited to 90 days, regardless of the type of pay scale under which he/she was previously paid.

MAXIMUM PAYABLE RATE: The maximum amount of pay allowed by law/regulation when setting a technicians rate of pay based on his/her "highest previous rate" earned.

3. POLICY: When an individual is appointed to a permanent position with the Michigan National Guard Technician Program, it is the States policy not to use a step above the minimum rate (step 1) unless required by law or regulation or when it is in the interest of the National Guard. In NO CASE will there be an "automatic" placement of a technician's pay at their "maximum payable rate". Each case will be judged on its individual merits. Approval authority for utilization of the Maximum Payable Rate rule in the setting of the rate of pay for a technician is delegated to the Support Personnel Management Officer (SPMO). When a technician is appointed to a permanent position and unusual circumstances dictate the application of the maximum payable rate, the SPMO may appoint a panel to review the merits of the case. Recommendations by the panel will be considered and exceptions made to this policy, as deemed necessary.

When a technician moves into a position by any means he/she may be paid at any rate for his/her grade which does not exceed his/her maximum payable rate, unless OPM, and NGB regulations pertaining to promotion or grade and pay provisions are applicable and give the technician a greater benefit.

CORRECTED COPY

The "Maximum Payable Rate" rule will NOT be applicable in the following situations unless circumstances exist which are determined to have an adverse impact on the mission of the Michigan National Guard:

- a. Change from temporary promotions to previously assigned grade.
- b. Service breaks in excess of 5 years (except when the non-creditable period of service is in a line of work directly related to the duties required in the position to which permanently appointed).
- c. Voluntary requests for change to lower grade for personal reasons or in response to the merit announcement process when the technician has been in the higher grade for less than one year. In these instances, the technician will be returned to a rate of pay in the lower grade as if there had been no promotion.
- d. Voluntary request for Change to lower grade or in response to merit announcements with the prospect of repromotion back to the former grade. In this instance, the technician will be placed in a step in the lower grade, which upon promotion back will place him/her in the step in the higher grade which he/she would have attained had he/she remained in that grade.
- \*e. Appointment as a temporary technician.
- \*f. From one temporary appointment to another with or without a break in service.
- \*g. Temporary appointment to permanent appointment when there is a break in service between appointments.

\*Time spent in the same or higher grade during a temporary appointment will be creditable service for completion of a waiting period for within grade/step increases if there has not been a break in service of 52 weeks.

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This Letter supersedes Technician Policy Letters 75-1 dated 11 February 1975 and 75-2 dated 11 February 1975.