

119TH CONGRESS
1ST SESSION

S. 126

To increase the rates of pay under the statutory pay systems and for prevailing rate employees by 4.3 percent, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 16, 2025

Mr. SCHATZ (for himself, Mr. BLUMENTHAL, Mr. PADILLA, Ms. HIRONO, Mr. SCHIFF, Mr. SANDERS, Mr. MARKEY, Mr. KAINE, Ms. WARREN, Mr. VAN HOLLEN, Mr. HEINRICH, and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To increase the rates of pay under the statutory pay systems and for prevailing rate employees by 4.3 percent, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Adjustment
5 of Income Rates Act” or the “FAIR Act”.

6 **SEC. 2. ADJUSTMENT TO RATES OF PAY.**

7 (a) STATUTORY PAY SYSTEMS.—For calendar year
8 2026, the percentage adjustment under section 5303 of

1 title 5, United States Code, in the rates of basic pay under
2 the statutory pay systems (as defined in section 5302 of
3 title 5, United States Code) shall be 3.3 percent.

4 (b) PREVAILING RATE EMPLOYEES.—Notwith-
5 standing the wage survey requirements under section
6 5343(b) of title 5, United States Code, for fiscal year
7 2026, the rates of basic pay (as in effect on the last day
8 of fiscal year 2025 under section 5343(a) of such title)
9 for prevailing rate employees in each wage area and the
10 rates of basic pay under sections 5348 and 5349 of such
11 title shall be increased by 3.3 percent.

12 **SEC. 3. ADJUSTMENT TO LOCALITY PAY.**

13 For calendar year 2026, the percentage adjustment
14 under section 5304 of title 5, United States Code, shall
15 be an increase of 1 percent.

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