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## DEPARTMENT OF COMMERCE

### Office of Administration

[Docket No. 160714611-6611-01]

Commerce Alternative Personnel System

**AGENCY:** Office of Administration, Office of Human Resources Management, Department of Commerce.

**ACTION:** Notice.

**SUMMARY:** This notice announces modifications to the provisions of the Commerce Alternative Personnel System, formerly the Department of Commerce Personnel Management Demonstration Project, published in the Federal Register on December 24, 1997.

As published on January 2, 2015 (80 FR 25), the Commerce Alternative Personnel System implemented direct-hire authority, under section 3304(a)(3) of Title 5 of the United States Code, for recruitment of certain scientific and engineering positions in the ZP career path at the Pay Band IV and above. Direct-hire authority was authorized for positions located in the National Telecommunications and Information Administration (NTIA), employed under the First Responder Network Authority (FirstNet). The System was modified again, as published on

June 22, 2016 (81 FR 40653), to increase the number of positions FirstNet could fill under direct-hire authority and to include certain occupational series in the ZP career path at the Pay Band III level and above.

This notice serves to make changes to the System to expand the use of direct-hire authority to the NTIA, Institute for Telecommunication Sciences (ITS), and authorizes ITS to fill certain ZP positions, on a limited basis, at the Pay Band III level and above. This notice also serves to announce the addition of the 1520 — Mathematics occupational series to the Commerce Alternative Personnel System.

**DATES:** The amended Commerce Alternative Personnel System is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Department of Commerce – Sandra Thompson, U.S. Department of Commerce, 14th and Constitution Avenue NW, Room 51020, Washington, DC 20230, (202) 482-0056 or Valerie Smith at (202) 482-0272.

**SUPPLEMENTARY INFORMATION:**

**1. Background**

The Office of Personnel Management (OPM) approved the Department of Commerce (DoC) demonstration project for an alternative personnel management system and published the approval of the final plan in the Federal Register on Wednesday, December 24, 1997 (62 FR 67434). The demonstration project was designed to simplify current classification systems allowing greater flexibility in classifying work and paying employees; establish a performance management and rewards system for improving individual and organizational performance; and improve recruiting and examining to attract highly-qualified candidates. The purpose of the project was to strengthen the contribution of human resources management and test whether the same innovations conducted under the National Institute of Standards and Technology alternative personnel management system would produce similarly successful results in other

DoC environments. The project was implemented on March 29, 1998. The project plan has been modified ten times to clarify certain DoC Demonstration Project authorities, and to extend and expand the project: 64 FR 52810 (September 30, 1999); 68 FR 47948 (August 12, 2003); 68 FR 54505 (September 17, 2003); 70 FR 38732 (July 5, 2005); 71 FR 25615 (May 1, 2006); 71 FR 50950 (August 28, 2006); 74 FR 22728 (May 14, 2009); 80 FR 25 (January 2, 2015); 81 FR 20322 (April 7, 2016); 81 FR 40653 (June 22, 2016). With the passage of the Consolidated Appropriations Act, 2008, Public Law 110-161, on December 26, 2007, the project was made permanent (extended indefinitely) and renamed the Commerce Alternative Personnel System (CAPS).

CAPS provides for modifications to be made as experience is gained, results are analyzed, and conclusions are reached on how the system is working. This notice announces that the DoC implements ITS' use of direct-hire authority under 5 U.S.C. 3304(a)(3) to fill specific scientific and engineering positions announced through this notice in the ZP career path and adds the occupational series: 1520 — Mathematics to the ZP career path. The DoC will follow the CAPS plan, as published in the Federal Register on December 24, 1997, and subsequent modifications as listed in the Background Section of this notice.

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**Kevin E. Mahoney,**  
Director for Human Resources Management and  
Chief Human Capital Officer

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### **I. Executive Summary**

CAPS is designed to (1) improve hiring and allow DoC to compete more effectively for high-quality candidates through direct hiring, selective use of higher entry salaries, and selective use of recruitment incentives; (2) motivate and retain staff through higher pay potential, pay-for-performance, more responsive personnel systems, and selective use of retention incentives; (3) strengthen the manager's role in personnel management through delegation of personnel authorities; and (4) increase the efficiency of personnel systems through the installation of a simpler and more flexible classification system based on pay banding through reduction of guidelines, steps, and paperwork in classification, hiring, and other personnel systems, and through automation.

The current participating organizations include 7 offices of the Chief Financial Officer/Assistant Secretary for Administration in the Office of the Secretary; the Bureau of Economic Analysis; the Institute for Telecommunication Sciences – National Telecommunications and Information Administration; the First Responder Network Authority

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National Telecommunications and Information Administration; and 12 units of the National Oceanic and Atmospheric Administration: Office of Oceanic and Atmospheric Research, National Marine Fisheries Service, the National Environmental Satellite, Data, and Information Service, National Weather Service — Space Environment Center, National Ocean

Service, Program Planning and Integration Office, Office of the Under Secretary, Marine and Aviation Operations, Office of the Chief Administrative Officer, Office of the Chief Financial Officer, the Workforce Management Office, and the Office of the Chief Information Officer.

This amendment modifies the June 22, 2016, Federal Register notice (81 FR 40653). Specifically, it expands and implements direct-hire authority for ITS and enables ITS to hire, after public notice is given, any qualified applicants in the ZP career path series as defined in the Basis for CAPS Expansion section without regard to 5 U.S.C. 3309-3318, 5 CFR part 211, or 5 CFR part 337, subpart A on a limited basis.

## **II. Basis for CAPS Expansion**

### A. Purpose

CAPS is designed to provide managers at the lowest organizational level the authority, control, and flexibility to recruit, retain, develop, recognize, and motivate its workforce, while ensuring adequate accountability and oversight.

ITS is responsible for providing core telecommunications research and engineering services to promote enhanced domestic competition and new technology deployment; advancing telecommunications and information services; improving foreign trade opportunities for U.S. telecommunication firms and more efficient use of the radio frequency spectrum. ITS also serves as a principal Federal resource for investigating the telecommunications challenges of other Federal agencies, state and local governments, private corporations and associations, and international organizations. In particular, this includes assisting Federal public safety agencies, the Federal Communications Commission, and agencies that use Federal spectrum.

As specified in the June 28, 2010, Presidential Memorandum, “Unleashing the Wireless Broadband Revolution” NTIA is responsible for exploring innovative spectrum-sharing

technologies. As the research and engineering laboratory for NTIA, ITS supports NTIA by performing research that enables the U.S. Government, national and international standards organizations, and many aspects of private industry to manage the radio spectrum and ensure that innovative, new technologies are recognized and effective. To continue to advance strategic initiatives to make additional spectrum available for commercial wireless use and to meet the increasing radio spectrum needs of both Federal and commercial users in the U.S. as efficiently and effectively as possible, ITS must quickly hire qualified individuals, for specialized roles, to advance communication technologies.

Section 3304(a)(3) of Title 5 United States Code provides agencies with the authority to appoint candidates directly to jobs for which the OPM determines that there is a severe shortage of candidates or a critical hiring need. OPM's direct-hire authority enables agencies to hire, after public notice is given, any qualified applicant without regard to 5 U.S.C. 3309–3318, 5 CFR part 211, or 5 CFR part 337, subpart A.

This notice implements ITS' use of direct-hire authority to fill up to 20 positions in the ZP career path, at Pay Band III or higher, in the following occupational series: 0854—Computer Engineering; 0855—Electronics Engineering; 1310—Physics; 1550—Computer Science; or 1520—Mathematics. The use of direct-hire authority to fill these positions will not exceed 20 positions in the ZP career path at any one time. ITS will track the number of hires made under direct-hire authority, ensuring numbers specified for the occupational series are not exceeded.

In 1997, with the approval of the DoC's Demonstration Project (62 FR 67434, December 24, 1997), OPM concurred that some occupations in the ZP career path at the Pay Band III and above constitute a shortage category, and some occupations for which there is a

special rate under the General Schedule pay system constitute a shortage category. Past recruitment efforts have demonstrated a critical shortage of candidates possessing specialized technical expertise in spectrum measurements, spectrum monitoring, propagation modeling, 4G Long Term Evolution (LTE) technologies, mobile systems development, computer security, systems engineering, scientific software development, as well as expertise in public safety organizational operations and infrastructure capabilities. ITS will use direct-hire authority to recruit Computer Engineers, Electronics Engineers, Computer Scientists, Physicists and Mathematicians in the ZP career path, Pay Band III or higher, with efforts focused on recruiting individuals possessing the above listed specialized technical areas of expertise. Recruitment of individuals possessing this expertise is critical in order to measure, analyze, monitor, and evaluate cutting edge technologies and methods that will make spectrum sharing possible.

DoC's CAPS allows for modifications of procedures if no new waiver from law or regulation is added. Given that this expansion and modification is in accordance with existing law and regulation and CAPS is a permanent alternative personnel system, the DoC is authorized to make the changes described in this notice.

### **III. Changes to the Project Plan**

The CAPS at DoC, originally published in the Federal Register on December 24, 1997 (62 FR 67434), and subsequently expanded as discussed above, Section III (81 FR 40653, June 22, 2016), is modified as follows:

1. The following series is added to Table 2:

Scientific and Engineering (ZP) Career Path  
1520, Mathematics Series

2. Section III Personnel System Changes, (B) Staffing: Replace the paragraph in subsection titled: "**Direct-Hire Authority: Critical Shortage Occupations**" to state:

DoC FirstNet and ITS use direct-hire procedures for categories of occupations that require skills that are in short supply. The following occupations and series constitute a shortage category at the Pay Band III and above in the ZP Career Path: Emergency Management Specialists (Public Safety) (0089), Electrical Engineers (0850), Computer Engineers (0854), Electronics Engineers, (0855), Physicists (1310), Computer Scientists (1550), and Mathematicians (1520). FirstNet is authorized to fill positions in the following occupational series using direct-hire procedures: 0089, 0850, 0854, 0855, and 1550 in all duty locations. ITS is authorized to fill positions in the following occupational series: 0854, 0855, 1310, 1550, and 1520 in all duty locations. Positions in these categories may be filled by FirstNet and ITS through direct-hire procedures in accordance with 5 U.S.C. 3304(a)(3). DoC FirstNet and ITS advertise the availability of job opportunities in direct-hire occupations by posting on the OPM USAJOBS website. DoC FirstNet and ITS will follow internal direct-hire procedures for accepting applications.

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