

## NewsFlash!

**Announcement:** Since 1990, Congress has legislatively mandated a limitation on direct salary for individuals under NIH grant and cooperative agreement awards. The mandate appears in The Further Consolidated Appropriations Act, 2020 (Public Law [116-94](#)), signed into law on December 20, 2019, which provides authority for NIH to incur obligations for FY 2020.

The Further Consolidated Appropriations Act, 2020, restricts the amount of direct salary to Executive Level II of the Federal Executive pay scale. The Office of Personnel Management has recently released new salary levels for the Executive Pay Scale.

Effective **January 5, 2020**, the salary limitation for Executive Level II is **\$197,300**. For awards issued in those years that were restricted to Executive Level II, including competing awards already issued in FY2020, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, grantees may rebudget funds to accommodate the current Executive Level II salary level.

For more information, please see NIH Notice [NOT-OD-20-065](#) or visit the Department of Contracts and Grant's [Budget Development](#) webpage.

**Questions?** If you have any questions about the new NIH salary cap, please feel free to contact your [DCG Officer](#).