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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 362

RIN 3206-AO85

Pathways Presidential Management Fellows Program: Variation

AGENCY: Office of Personnel Management.

ACTION: Notification.

SUMMARY: The Office of Personnel Management (OPM) is providing notice that the Director is authorizing a variation from the Pathways Presidential Management Fellows (PMF) Program regulations under which current Fellows remain employed. The Director has found that such variation is necessary and will further the objectives set forth by the President in Executive Order (E.O.) 14217.

DATES: This variation is effective from August 11, 2025 until the remaining Fellows have been converted out of the Program or their appointments have expired but not later than July 1, 2026, except that Fellows who have completed more than one year of the PMF Program as of August 11, 2025 must complete their requirements and be converted or their appointments will expire not later than December 31, 2025.

FOR FURTHER INFORMATION CONTACT: Katika Floyd by telephone at (202) 606-0960; or by email at employ@opm.gov.

SUPPLEMENTARY INFORMATION: In a related final rule published elsewhere in this edition of the **Federal Register**, OPM removed regulations implementing the PMF Program in accordance with section 2(e) of E.O. 14217, “Commencing the Reduction of the Federal Bureaucracy” (90 FR 10577, Feb. 25, 2025). However, several hundred Fellows remain employed under the PMF appointment authority. Accordingly, pursuant to 5 CFR 5.1, the Director has determined that a variation is necessary to effectuate the completion

of their appointments. The elimination of the PMF Program presents a unique practical difficulty for the agencies employing these individuals; however, retaining the current regulations would delay implementation of the President’s direction to sunset the PMF Program. See 5 CFR 5.1(a). Furthermore, the Director finds that providing a mechanism to transition these employees out of the PMF Program will promote the efficiency of the Government as these employees represent top talent that is high achieving and motivated, and their contributions to the American people will be of great value. See 5 CFR 5.1(c). The provisions of this variation apply only to an employee serving under an appointment under § 213.3402(c) as of August 11, 2025 (for the purposes of this variation, “current Fellows”) until the remaining Fellows have been converted out of the Program or their appointments have expired. 5 CFR 5.1(d).

Although OPM seeks to provide a mechanism for transitioning current Fellows out of the PMF Program and into the competitive service, OPM also remains committed to ensuring that basic standards are applied prior to permitting conversion, adhering to the spirit of the regulations, and protecting and promoting the efficiency of the Government and the integrity of the competitive service. Accordingly, agencies must continue to apply PMF Program requirements as codified at 5 CFR part 362, subpart D, as it appeared in the January 1, 2025, edition of 5 CFR parts 1–699 (Vol.1) subject to the following variations. See 5 CFR 5.1(b).

When the current Fellows were appointed, the expected duration of the program was two years. See § 362.404(a)(1). Similarly, § 362.408 provided that, as a condition of employment, a Fellow’s appointment expired at the end of the “2-year” program. Because the President directed the prompt termination of the program, this variation shortens the expected duration of the program. For the purposes of § 362.408, a Fellow’s appointment continues to expire at the end of the program as follows. For current Fellows who have not completed one year as of August 11, 2025, appointments under § 213.3402(c) may not exceed one year, at which time the Fellow must convert, or else their

appointment will expire and they will be separated from Federal service. For current Fellows who have already completed one year, each Fellow must convert after completion of the Program requirements as revised by this variation, but no later than December 31, 2025, or else their appointment will expire, and they will be separated from Federal service. The PMF Program permitted an agency to extend a Fellow’s appointment up to 120-days to allow processing of a conversion (see § 362.404(b)); that allowance is unchanged.

The PMF Program required an agency to provide each Fellow with at least one four- to six-month developmental assignment. See § 362.405(b)(4). To facilitate prompt winddown of the program, for current Fellows, OPM is removing the requirement for a developmental assignment. Nonetheless, agencies are encouraged to provide a reduced assignment of 30- to 60-days, if possible.

The PMF Program required an agency to provide each Fellow a minimum of 80 hours of formal interactive training per year. See § 362.405(b)(2). To ease operational burdens on agencies as the program winds down, OPM is removing the requirement for training. However, OPM encourages agencies to proactively notify Fellows of appropriate training opportunities and work with each Fellow to develop a mutually agreeable training plan. Because of steps taken to eliminate the PMF Program, OPM will not provide leadership development activities and general Program resources or information on available training opportunities known to it, as described in § 362.405(b)(1).

Finally, prior to conversion, each current Fellow must complete the requirements of the Program, as revised by this variation, and program completion must be verified. However, the requirement for the Executive Review Board certification before conversion is waived. See § 362.405(d). Completion of the program may be verified by senior agency official or officials who have been given responsibility for executive resources management and oversight by the agency head. The determination regarding completion of the program is in the sole discretion of such leadership (or designees) and no appeal to OPM will be provided. The agency should not

forward proof of verification to OPM, as the PMF Program is being eliminated.

Office of Personnel Management.

Stephen Hickman,

Federal Register Liaison.

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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Parts 213, 315, 362, and 537

RIN 3206–AO85

Sunset of the Pathways Presidential Management Fellows Program

AGENCY: Office of Personnel
Management.

ACTION: Final rule.

SUMMARY: As directed by the Executive Order “Commencing the Reduction of the Federal Bureaucracy” issued February 19, 2025, the Office of Personnel Management (OPM) is rescinding the regulations on the Pathways Presidential Management Fellows Program and making conforming amendments.

DATES: This final rule is effective on August 11, 2025.

FOR FURTHER INFORMATION CONTACT: Katika Floyd by telephone at (202) 606–0960; or by email at employ@opm.gov.

SUPPLEMENTARY INFORMATION:

Background and Legal Authority

This final rule is issued in accordance with section 2(e) of Executive Order (E.O.) 14217, “Commencing the Reduction of the Federal Bureaucracy” (90 FR 10577, Feb. 25, 2025), which directed the Director of Office of Personnel Management (OPM) to initiate the process to withdraw the Pathways Presidential Management Fellows (PMF) Program (PMF Program or Program) regulations in subpart D of part 362, Code of Federal Regulations (CFR), and to take any other steps necessary to promptly terminate the PMF Program. This action is taken under the authority vested in the President by the Constitution and laws of the United States of America, including 5 U.S.C. 3301 and 3302.

The PMF program (formerly, Presidential Management Intern Program) was established by President Jimmy Carter in 1977 to attract to Federal service a limited number of individuals, with exceptional management potential, who received special academic training (advanced degrees) in planning and managing public programs and policies. E.O.

12008, 42 FR 43373. Since that time, the PMF Program had evolved to cover a variety of academic disciplines covering a multitude of Federal occupations and was no longer limited to a small number of participants. It is no longer necessary to have a separate employment program for those with advanced degrees when the same can be accomplished using the other available employment authorities and programs for interns, fellows, and college graduates. Just as the creation of the PMF Program was consistent with the President’s authority under 5 U.S.C. 3301 and 3302, similarly the sunset of the PMF Program falls within the President’s discretion. OPM will continue to assess the need for fellowship, internship, and leadership development programs and work within its existing authorities to attract top talent to the Federal government.

To date, OPM has taken steps to begin the sunset of the PMF Program:

- Notifying agency PMF coordinators on the actions to be taken as the PMF Program sunsets;
- Notifying Presidential Management Fellows (Fellows) of Executive Order requirements to terminate the PMF program and the sunset activities that were underway;
- Canceling the announcement of the 2025 PMF finalists; and
- Drafting transitional guidance to address current PMF employment matters.

This final rule removes the regulations governing the PMF Program in subpart D of part 362 and makes conforming changes in parts 213 and 315. Specifically, references to the PMF Program and/or subpart D are removed from §§ 213.3402, 315.201, 315.713, 362.101, 362.103, 362.104, 362.105, 362.107, 362.109, and 537.102 of title 5 of the Code of Federal Regulations. In addition, 5 CFR 362.110 is removed. OPM is also amending the authority citations for parts 213, 315, and 362 as appropriate to reflect the termination of the PMF Program and to conform to the requirements of 1 CFR part 21, subpart B.

In addition to the regulatory changes in this final rule, OPM notes that less than 650 employees remain employed under the PMF appointment authority. OPM is publishing a Variation to facilitate the transition of current Fellows out of the Program while promptly terminating the PMF Program. (See the Notification published elsewhere in this edition of the **Federal Register**.)

Impact of This Rulemaking

The elimination of the PMF Program in subpart D of part 362 from the CFR

will eliminate a centralized recruitment and employment program for individuals with advanced degrees the President has determined is unnecessary. OPM anticipates that there will be negligible administrative costs associated with administering the sunset of the program, and OPM anticipates net savings to the Government based on the efficiencies created by agencies not having to contribute to the overhead costs for operating a centralized program and instead using other existing recruitment and hiring programs that can serve the same purpose for bringing talent into the Federal government.

Agencies contributed \$2M to \$2.5M annually to operate the centralized program. About 30 agencies participated each year, contributing a set fee per hire (most recently \$8,000 per Fellow). These expenses covered OPM administrative costs such as running the recruitment, evaluation, and selection processes and providing training for Fellows. Agencies already have procedures and systems in place to conduct these activities; eliminating the duplication of effort represents cost savings. The expenses also covered ongoing support for agencies and Fellows and monitoring agency compliance with Program requirements, functions that are now eliminated. OPM estimates that sunsetting the Program will result in savings of roughly 80% of these costs to the Government, or \$1.8M annually.

Agencies also expended resources for operation of the agency’s PMF Program. Program regulations required agencies to provide a PMF Coordinator with required functions, agency-funded training (in addition to the OPM-provided training), detail opportunities, mentoring, and Executive Resource Board (ERB) review and certification. Some of the functions are eliminated with the sunsetting of the Program, and agencies already have systems in place to provide the remaining functions for their employees. Although OPM does not have data regarding these additional costs borne by agencies, we can estimate portions of these expenses.

For the purpose of this cost analysis, the assumed average salary rate of Federal employees serving as an agency’s PMF Coordinator will be the rate in 2025 for GS–12, step 5, from the Washington, DC, locality pay table (\$114,923 annual locality rate and \$55.07 hourly locality rate). We assume that the total dollar value of labor, which includes wages, benefits, and overhead, is equal to 200 percent of the wage rate, resulting in an assumed labor cost of \$110.14 per hour. We estimate