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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 412

[Docket ID: OPM-2025-0014]

RIN 3206-AO89

Ensuring Consistent and Rigorous Standards for the Senior Executive Service Candidate Development Programs

AGENCY: Office of Personnel
Management.

ACTION: Final rule.

SUMMARY: The Office of Personnel Management (OPM) is issuing a final rule to amend its Senior Executive Service (SES) Candidate Development Program (SESCDP) regulations to implement certain SES training and development requirements. The SES represents the Federal Government's leadership, composed of executive positions above the GS-15 level. SESCDPs serve as a crucial succession management tool for Federal agencies, designed to identify and prepare high-potential employees for future roles within the SES. These programs aim to cultivate leaders equipped with a governmentwide perspective and the competencies necessary to tackle complex challenges.

DATES: Effective July 27, 2026.

FOR FURTHER INFORMATION CONTACT: Allen Brooks, Acting Deputy Associate Director, Executive Services and Workforce Development, 202-606-8046 or by email at SESDevelopment@opm.gov.

SUPPLEMENTARY INFORMATION: On December 18, 2025, the Office of Personnel Management (OPM) published a notice of proposed rulemaking (NPRM) in the **Federal Register** at 90 FR 59072. The NPRM provided amendments to the regulations governing Senior Executive Service Candidate Development Programs (SESCDPs) in 5 CFR part 412 and

provided opportunity for the submission of public comments. Public comments were due February 17, 2026.

Background

The Senior Executive Service (SES) is a corps of top-level Federal executives who provide leadership and oversee Government operations, bridging the gap between political appointees and career civil servants. The SES was established by the Civil Service Reform Act (CSRA) of 1978 and became effective in July 1979. The CSRA envisioned a senior executive corps with solid executive expertise, public service values, and a broad perspective of the Government. The CSRA established the SES as a distinct personnel system that applies the same executive qualifications requirements to all members. The system was designed to provide greater authority to agencies to manage their executive resources, including the flexibility for selecting and developing Federal executives within a framework that preserves the larger corporate interests of the Government.

An SESCDP is a structured program designed to identify and prepare individuals who aspire to become senior executive leaders, exhibit readiness or near-readiness for executive-level responsibilities, demonstrate leadership across organizational boundaries, and show potential to manage complex, cross-agency initiatives. Graduates of an OPM-approved SESCDP, who are selected through civil service-wide competition and are certified by OPM's Qualifications Review Board (QRB), may receive a career SES appointment without further competition.

On January 20, 2025, President Trump issued a Presidential Memorandum titled "Restoring Accountability for Career Senior Executives." 90 FR 8481, January 30, 2025. With this Presidential Memorandum, President Trump directed agencies to "reinvigorate the SES system and prioritize accountability" to ensure proper accountability to both the President and the American people.

To advance this directive, on May 29, 2025, OPM released the memorandum, *Hiring and Talent Development for the Senior Executive Service*,¹ which

provides policy, guidance, and timelines to agencies on SES hiring and development, to include new SESCDP certification requirements. The memorandum noted that "these changes in hiring, training, development and oversight will drive a cultural shift in the SES." The memorandum further highlights that Federal agencies are responsible for ensuring appropriate succession planning for executive positions by building a pipeline of qualified candidates that are well-prepared to serve as Federal executives, and that "OPM is required to establish programs for the systematic development of candidates for the SES and/or assist agencies in the establishment of such programs which meet OPM prescribed criteria."

Through the introduction of more stringent SESCDP certification requirements, OPM aims to enhance training and development for aspiring SES and accelerate the development of well-prepared leaders to ensure leadership continuity. OPM has reviewed evaluation feedback from agencies and graduates of SESCDPs over the years, which suggest some adjustments can be made to enhance the experience for SESCDP participants and aim for better outcomes. To accomplish this transformation, OPM is adjusting the formal training content, adopting a more streamlined program cohort duration, and modifying developmental assignments to a longer minimum duration. In turn, agencies will have a more appropriate timeframe to conduct an SESCDP and allow for aspiring SES to learn in an environment that promotes governmentwide cohesion and prepares them to deliver results as accountable senior executives.

Summary of Comments

During the 60-day comment period, OPM received ten written comments: two from Federal agencies, four from members of the public, and four from professional organizations, including one duplicate submission from the same professional organization.

Some comments provided feedback about specific provisions of the proposed rule, but most discussed broader themes related to the rulemaking. OPM addresses commenters' concerns below.

¹ OPM, "Hiring and Talent Development for the Senior Executive Service" (May 29, 2025), available at <https://www.opm.gov/chcoc/transmittals/2025/>

Responses to Comments

General Comments

One commenter (0002)² provided support for the regulatory changes, simply stating, “Good.” Another commenter, Commenter 0003, voiced general opposition to the regulations and expressed concern that they could be used against OPM by future administrations. Commenter 0003 further stated OPM should use language written in Executive Order (E.O.) 14356, “Ensuring Continued Accountability in Federal Hiring,” October 15, 2025, specifically around Annual Staffing Plans (ASPs), to accomplish OPM’s goals for SES career development and training. The commenter suggested that OPM could use its authority to approve only those ASPs that include precise training programs in lieu of issuing more regulations.

OPM appreciates Commenter 0003’s recommendations. The intent of an agency’s ASP is to evaluate agency workforce and staffing needs to help guide hiring efforts and “. . . to ensure that new career appointments in the upcoming fiscal year are in the highest-need areas.” Therefore, these plans support agencies in identifying their workforce and executive staffing needs and, therefore, will inform agency SESCDP requirements as they pertain to agency succession management. In fact, OPM is concurrently pursuing revisions to its 5 CFR part 250 regulations that would require ASPs to target the agency’s hiring to enable succession planning. However, this rulemaking regarding SESCDPs serves a purpose distinct from the annual workforce planning process created by E.O. 14356, and using the ASP process to convey the requirements pertaining to the approval, oversight and evaluation of SESCDPs likely would be confusing, inefficient and unhelpful. Therefore, OPM concludes that placing these requirements in its regulations will best support its goals in strengthening the effectiveness of SESCDPs in the long term.

Commenter 0003 further stated that, if OPM must write a regulation, OPM should “prescribe the plan approval process of E.O. 14356 in your regulation.” However, prescribing the ASP approval process is outside the scope of this rulemaking. Lastly, OPM notes that, while SESCDPs are not

required developmental programs, each agency must obtain OPM approval of its program policies if the agency wants to administer program cohorts. The requirements to obtain approval of SESCDP policies are promulgated in regulation, and this final rule modifies those regulations to strengthen program requirements and to hold agencies more accountable when managing their SESCDPs.

OPM considered a set of comments submitted by Commenter 0011 and determined that the ideas suggested are not appropriate for governmentwide regulations at this time. A majority of the submission extended beyond the scope of the notice of proposed rulemaking in that it primarily focused on the modernization of the SESCDPs through the implementation and use of artificial intelligence (AI) agents. While the paper provided a technical analysis of how agencies can optimize their SESCDP programs via the use of AI agents, OPM felt the paper did not propose any viable recommendations that would be applicable to changing regulatory language to support the goals of this rulemaking. OPM is a proponent of integrating AI into agency operations to enhance human capital management for better efficiency, integrity, and decision-making and supports agency exploration on how AI can enhance the administration of their SESCDPs. Commenter 0011 stated that only a minority of SES members possess sufficient AI literacy and proposed a four-tier training methodology for Federal employees. OPM appreciates the Commenter’s feedback and will explore how it can further support agencies’ efforts to increase employee AI knowledge. However, OPM does not believe that imposing regulatory requirements to use large-scale AI architecture and agents to operate their SESCDPs, at a time when agencies are building capacity to use AI in their day-to-day operations, is advisable. Furthermore, use of AI for these purposes can be implemented later without changing OPM’s regulations.

Merit-System Principles, Political Neutrality, and Legal Compliance

Some commenters raised concerns that certain SESCDP requirements could be implemented in ways that would reward alignment with partisan priorities, rather than focusing on demonstrated executive ability. Commenter 0007 opposed the proposed regulation, stating that the regulation “seeks not to just train career Senior Executive Service (SES) candidates to work in public administration, but to either indoctrinate them in the specific

policies of a specific administration or political adherence to a particular administration’s specific policies.” The commenter also maintains that the proposed regulation does not address the concerns and needs of a Senior Executive.

OPM respectfully disagrees with Commenter 0007’s characterization of OPM’s motivations for improving the training and development of SES leadership. OPM does not agree that the final rule creates a political loyalty test or authorizes partisan considerations in SESCDP selection or development. OPM maintains that SESCDP requirements are designed to support agencies in implementing programs that are designed to identify and further develop high-potential, skilled employees so that they are ready to lead across the Government. SESCDP training requirements provide candidates with unique and meaningful experiential opportunities, grounded in the Executive Core Qualifications (ECQs), and that focus on developing transferable leadership competencies. Nowhere in the proposed or final rule does OPM seek to indoctrinate the SES leadership corps, require a political loyalty test, or otherwise violate the merit system principles; indeed, the regulations continue to direct that agencies be mindful of merit principles when carrying out their functions under this subpart. SESCDP training requirements provide candidates with unique and meaningful experiential opportunities, grounded in the ECQs, and that focus on developing transferable leadership competencies.

Commenter 0007 additionally stated that incorporating specific partisan policies as a part of the curriculum is not only bad policy but contrary to law, arguing that, if “any executive branch training spends taxpayer money in an attempt to get federal officials (including current federal employees who are candidates for the career SES) to adopt a given administration’s policy preferences, it potentially risks violating 18 U.S.C. 1913.” Yet, Commenter 0007 does not identify specific partisan policies nor explain how these purported policies are integrated into the SESCDP curriculum and would ultimately drive Federal employee work to influence or lobby Members of Congress. Additionally, as the commenter correctly notes, OPM regulations (5 CFR 412.302(b)(1)) state: “Consistent with the merit system principles in 5 U.S.C. 2301(b)(1) and (2), agencies must ensure that recruitment for the program is from all groups of qualified individuals within the civil service, or all groups of qualified

² References to comments provide the location of the item in the public record (that is, the four-digit number associated with the location in the docket). Comments filed in response to the proposed rule are available at <https://www.regulations.gov/comment/OPM-2025-0014-nnnn>, where (nnnn) is the comment number.

individuals whether or not within the civil service.” The regulations also charge agency Executive Resources Boards (ERBs) to “oversee and be accountable for SESCDP recruitment, merit staffing, and assessment,” and “ensure the program follows SES merit staffing provisions in 5 CFR 317.501.” SES candidate development is rooted in the ECQs; specifically ECQ 1, which “requires demonstrated knowledge of the American system of government, commitment to uphold the Constitution and rule of law, and commitment to serve the American people.” This ECQ rejects adherence to a specific administration or political ideology. In sum, OPM believes there are sufficient safeguards established under current regulations that are unchanged in the final rule that protect against the risk of partisanship in the training and development of the SES.

Commenter 0008 expressed concern about agencies assessing candidates based on political essays by referencing guidance published by OPM on the Merit Hiring Plan.³ As a threshold matter, OPM released guidance stating that these essay questions are not to be used in the SES hiring process.⁴ Additionally, OPM rejects the notion that the essay questions are political essays. These essays are designed to give applicants an opportunity to provide additional information about themselves, their background, and dedication to public service. OPM has clarified that the four essay questions are not scored or rated (and thus are not to be used as an assessment) and must not be used to screen candidates out or impose an ideological litmus test on applicants. Thus, the concern about the four essay questions is misplaced and inapplicable to the proposed regulatory changes.

Furthermore, agencies are required to recruit for SESCDPs consistent with the merit system principles in 5 U.S.C. 2301(b)(1), and candidates must be selected through SES merit staffing procedures described in 5 CFR 317.501. These procedures include a prohibition on using political or other non-job-related factors in selecting candidates. Lastly, selected candidates are not hired directly into an SES position but are chosen for a developmental program to

strengthen their leadership skills and ready them for an executive position in the SES. Once they complete all program requirements, graduates may be submitted for Qualifications Review Board (QRB) review of their executive qualifications.⁵ It is not until a program graduate is certified by a QRB that the graduate “may receive an initial career appointment without further competition to any SES position for which he or she meets the professional and technical qualifications requirements.”⁶

Two commenters also raised concerns about assessment use in selection, possible bias, and the relationship between assessments and individualized development planning. Commenter 0008 argued that psychometric or behavioral assessments should not be used as screening devices for CDP selection and should instead be used to identify a candidate’s starting point and growth. Commenter 0008 also stated that, if assessments are used in selection, they should be tied to ECQs and agency leadership-skill needs. Commenter 0009 raised concerns about how executive assessments may perpetuate bias, and that validation does not guarantee neutrality. The commenter argued that unless assessments are carefully calibrated, they are often built on cultural and leadership norms and may favor certain groups. Commenter 0009 continues, stating that according to an article by Rosette, Leonardelli, and Phillips,⁷ “common ideas of what a leader looks like or sounds like are often tied to majority-group characteristics and are not culturally neutral.” Additionally, the commenter states that, under the Uniform Guidelines on Employee Selection Procedures (UGESP), “lower selection rates for protected groups require a showing of business necessity,” and that OPM should require subgroup validity analyses, cultural-bias reviews, and regular recalibration of assessment tools to ensure that evaluation is fair and not just technically defensible.

OPM acknowledges and understands Commenter 0009’s argument, and while we concede that validation may not guarantee neutrality, all agencies administering a program must ensure that the merit system principles are followed throughout the development and implementation of their SESCDPs.

Federal agencies are prohibited from engaging in personnel practices (5 U.S.C. 2302) that would violate any of the Equal Employment Opportunities (EEO) laws and are subject to comply with the UGESP. Further, while the referenced article raises potential concerns, the commenter does not acknowledge the authors’ stated limitations that could undermine their findings. Most notably, the authors relied upon student participants with little to moderate work experience. OPM finds this limitation significant as it does not reflect the reality in the Federal sector where SESCDP candidates often have significant experience in the Federal and/or private sector.

OPM agrees with Commenter 0008’s suggestion that skills-based assessments should be used during the selection process, providing agencies with the results needed to identify the top candidates for their programs. Agencies should use technical assessments that are grounded in the ECQs and related competencies and that identify both areas of strength and those requiring further attention. This will not only highlight strong executive leadership potential but also provide candidates with self-awareness around skill areas to focus their learning during their program training and developmental assignment. Furthermore, assessments may be used as one component of a holistic evaluation approach that incorporates multiple, job-related indicators of executive leadership potential. When applied in this manner, validated assessments not only support merit- and evidence-based selection but also serve as highly effective developmental tools providing candidates with objective feedback on strengths and growth areas that can guide individualized development throughout the program. OPM has modified the proposed rule language to clarify that assessments should be objective and tied to the ECQs and related competencies. This emphasizes the importance of assessments measuring an individual’s skills, capabilities, and readiness for executive leadership roles, while still providing agencies with the flexibility to determine the appropriate assessment(s) to utilize.

In its submission, Commenter 0008 references the *SES Joint Policy Agenda*,⁸ which states that ERBs “are run inconsistently and do not operate under a set of reliable and transparent business

³ OPM, “Merit Hiring Plan Frequently Asked Questions,” available at <https://www.opm.gov/policy-data-oversight/hiring-information/merit-hiring-plan-resources/merit-hiring-plan-frequently-asked-questions/>.

⁴ See OPM, “Additional Merit Hiring Plan Guidance on Using the Four Optional Short Essay Questions Reminder” (April 30, 2026), available at <https://content.govdelivery.com/accounts/USOPM/bulletins/415409a>.

⁵ 5 CFR 317.502.

⁶ 5 CFR 412.301(a).

⁷ Rosette, A. S., Leonardelli, G. J., & Phillips, K. W. (2008). The White standard: Racial bias in leader categorization. *Journal of Applied Psychology*, 93(4), 758–777. <https://doi.org/10.1037/0021-9010.93.4.758>.

⁸ Partnership for Public Service, The Volcker Alliance, and the Senior Executives Association, “SES Joint Policy Agenda,” available at <https://ourpublicservice.org/wp-content/uploads/2018/10/SES-Joint-Policy-Agenda.pdf>.

practices.” The *SES Joint Policy Agenda* then goes on to re-emphasize Commenter 0008’s declaration that “review boards should operate in a professional and politically neutral manner to ensure strong management practices across agencies.” OPM echoed this sentiment in the *Hiring and Talent Development for the Senior Executive Service* memorandum (May 29, 2025), affirming that agencies are required to create an ERB to conduct the merit staffing process for career entry into the SES, noting: “An ERB is the driving force for ensuring and improving the quality of leadership within its agency, and subsequently, the Federal Government.” The memo also provides agencies with expanded guidance to strengthen and formalize the roles and responsibilities of ERBs, to include boards’ involvement in succession management and SESCDPs. Furthermore, as a part of this final rule, OPM restructured the regulation language in § 412.302(a) to outline ERB roles and responsibilities more clearly. OPM also added language to delineate the role of an agency’s ERB in a multi-agency or governmentwide SESCDP, providing more clarity and consistency around operational roles across agencies and programs.

Program Structure, Implementation, and Evaluation

OPM made a number of proposals to modify the regulatory language focused on the structure and implementation of SESCDPs. This included an effort to streamline the policy review and approval process by requiring agencies to submit one overarching policy document using an OPM program policy template. Further, with the goal to realize program efficiencies and provide more emphasis on the developmental experience, OPM proposed to reduce program cohort duration to no longer than 12 months, while increasing the number of training hours from 80 to 100, adding in a requirement for candidates to work with a coach, and extending the minimum length of a developmental assignment. Multiple commenters provided feedback that voiced support for stronger and more consistent standards but also relayed concerns that rigid program requirements may not fit different missions, workforce compositions, and operating authorities, and, therefore, may not operate equally across agencies. OPM also included prerequisites for policy re-approval and expanded upon current program evaluation requirements. Lastly, it is important to note that, as a precursor to this rulemaking, OPM made enhancements

to the ECQs.⁹ Commenter 0008 asserted that, “Recent updates to the ECQs focus solely on organizational results, discounting other critical elements of what modern leaders should be accountable for.” However, OPM disagrees with this notion and reaffirms that the updated ECQs place emphasis on merit, competence, leading people and organizations, stewardship, and commitment to the Constitution and American public. As mentioned, the ECQs serve as the foundation for SESCDPs and framework for career development of employees across the Federal Government.

Commenter 0008 noted that few agencies operate their own SESCDPs and that employees are unaware of their existence. OPM acknowledges and understands that these barriers exist. Many factors—to include resource constraints—may impact an agency’s choice to not conduct an SESCDP. This not only removes the ability for the agency to utilize the SESCDP as a strategic succession management tool to support broader workforce planning efforts, but also eliminates the opportunity for eligible employees to participate in the program. Additionally, while certain employees may be eligible to apply to another agency’s SESCDP, as the commenter noted, there may be a gap in program awareness. In an effort to support such agencies, and to help increase visibility and access, OPM has modified the final rule language to include a provision allowing OPM to establish a governmentwide SESCDP. OPM is the Federal Government’s central human resources (HR) agency, and therefore uniquely positioned to leverage the benefits of an SESCDP on a governmentwide scale. Lastly, OPM will further consider how to best advertise any established governmentwide SESCDP and how to also create more awareness around other agency SESCDPs.

Commenter 0006, a Federal agency, submitted a comment about the new provision in § 412.301 that requires a department or agency HQ-level seeking policy approval to submit a blanket, enterprise-wide policy for itself and all subcomponents. The agency inquired whether these differences will be accounted for to avoid creating authority-related conflicts. Per 5 CFR 412.301(b), agencies covered by 5 U.S.C., chapter 31, subchapter II, may apply to OPM to conduct an SESCDP.

⁹ OPM, “*Hiring and Talent Development for the Senior Executive Service*” (May 29, 2025), available at <https://www.opm.gov/chcoc/transmittals/2025/OPM%20SES%20Hiring%20Memo%205-29-2025%20FINAL.pdf>.

While an agency could potentially operate under differing titles than that of their parent agency or department, so long as the subcomponent agency meets the definition of a covered agency in 5 U.S.C. 3132, the agency is able to operate an SESCDP following the approved policy of its parent agency or department.

Another area of discussion among commenters was around potential access barriers created by compressed program timelines and required developmental elements. There were several commenters who argued that the shorter cohort structure and related mandatory elements may create practical participation barriers or reduce program quality, especially for employees balancing full-time duties or personal constraints. Some commenters raised concerns that the length of a continuous development assignment may discourage certain candidates from participation in an SESCDP.

After consideration of the comments, OPM agrees that these compressed timelines, while initially meant to increase program efficiency, could impose unintended limitations. OPM has removed the proposed requirement to shorten the program length to 9–12 months and is retaining the current requirement of a minimum of 12 months. However, as discussed in the proposed rule, OPM continues to be concerned that programs not be overly long and, rather than shortening the program length will instead require that they cannot exceed 24 months in length. OPM views 24 months as sufficient time for candidates to meet the requirements of their agency’s SESCDP. However, OPM acknowledges there may be extenuating circumstances that cause a participant not to complete all requirements within this period. Therefore, OPM also added a provision whereby agencies may grant an extension of up to 120 days for individual candidates who cannot complete the program in 24 months due to extenuating circumstances. Any extension beyond 120 days must be submitted to OPM for approval.

The proposed rule would have required a 120-day continuous developmental assignment. Commenters raised two distinct concerns about the design of this requirement. First, commenters observed that a continuous, full-time assignment away from a candidate’s home position can disadvantage candidates with significant caregiving or household responsibilities and may favor candidates with greater scheduling flexibility. One commenter specifically recommended that OPM permit “split

assignments, remote components, or comparable developmental experiences” in lieu of a single continuous in-person block. Second, commenters cautioned that combining a developmental assignment with concurrent training hours and ongoing job duties risks overwhelming participants and degrading the quality of the developmental experience.

After considering these comments, OPM has determined to lengthen the developmental assignment period to 180 days. OPM is increasing the length by 60 days from the proposed rule based on the experience of private sector firms and current Federal development programs. Firms like GE Aerospace, Circle K, and Alcon require participants to undergo developmental assignments. GE Aerospace established the Experienced Commercial Leadership Program (ECLP) for mid-career leaders that requires participants to participate in three one-year rotations as part of the program.¹⁰ Circle K established the CK Compass Global Rotational Program that requires participants to undergo four 12-month rotations across different functional areas of the business.¹¹ Alcon established the Accelerated RADAR program for mid-career professionals, which lasts four to five years and includes two strategic enterprise rotations lasting up to 24 months each.¹² Additionally, there are current Federal programs that focus on providing participants with core developmental opportunities through completing an extended assignment at other organizations. The White House Leadership Development Program (WHLDP) selects current GS–15 (or equivalent) civil service employees for one-year fellowship roles that align with center-of-government needs, Administration priorities, and allow participants to further develop their leadership skills.¹³ The Department of War (DoW) Cyber Information Technology Exchange Program (CITEP) authorizes a temporary exchange between DoW civilian and private sector employees to strengthen or develop

cyber and IT related competencies and skills through structured experiences¹⁴ which can range from 3 to 12 months¹⁵ in duration. These private and public sector programs suggest that 120 days is on the lower end of the length of developmental assignments and, therefore, may be insufficient for candidates to assume meaningful responsibility in an unfamiliar organizational setting and demonstrate the executive competencies measured against the ECQs.

Additionally, considering the adjustment from a 9 to 12-month to a 12 to 24-month overall program duration, there is more time for the developing leader to participate in a meaningful experience during the developmental assignment. J.M. Geertz (2024), in their study of return on investment (ROI) on leadership development indicates there is “a linear, positive relationship between longer programs and improved outcomes at individual and organizational levels.”¹⁶ Benefits of the increased length of the developmental assignment support the participant in two impactful ways, (1) by providing adequate time to allow the candidate to demonstrate cognitive, behavioral, and organizational changes at an increased level of mastery and (2) to support the implementation of impact projects which benefit the participant and their hosting assignment agency.¹⁷

Moreover, OPM’s prior guidance for senior executive career development stated that rotations should be a minimum of 120 consecutive calendar days to broaden an executive’s knowledge, skills, and experience,¹⁸ indicating that this time period functions as a baseline minimum rather

than an optimal duration in all cases. A 180-day minimum better positions agencies to structure assignments around meaningful work cycles and substantial executive-level responsibilities, while still remaining shorter than many existing Federal leadership development assignments used to prepare employees for enterprise level leadership role. OPM recognizes the burdens commenters identified and emphasizes that agencies retain substantial existing authority to address them within the 180-day period. Agencies may approve alternative work schedules, including flexible and compressed schedules. Where personal circumstances require, candidates and their agencies may avail themselves of the full range of leave authorities, including annual leave, sick leave for family care and bereavement purposes, leave under the Family and Medical Leave Act, and other applicable leave programs. OPM encourages agencies to design developmental assignments in partnership with the gaining organization and the candidate so that these existing flexibilities can be deployed in a manner that accommodates documented caregiving, medical, or other personal obligations without compromising the developmental integrity of the assignment.

OPM also received comments concerning the formal training required of SESCDP participants. Commenter 0008 stated that OPM should not prescribe a specific number of hours for each of the proposed training topics because doing so would create rigidity and not allow flexibility for agencies to prepare future leaders for the unique conditions and challenges of their agencies. Other commenters challenged whether OPM provided enough clarity around the topic areas or whether they were inclusive enough to account for emerging technologies such as artificial intelligence.

OPM agrees with these commenters that the training required of SESCDPs should be flexible to account for the uniqueness in their missions and emerging issues. Thus, OPM is issuing a final rule to remove the specific enumeration of topic areas but will retain the specific number of hours required of candidates to undergo formalized training. OPM views a successful SESCDP requiring significant formalized training that agencies may adapt to their current and future leadership needs. Allowing agencies to establish training topics without assigning minimal hours for each topic will provide sufficient flexibility for

¹⁰ GE Aerospace, “Experienced Commercial Leadership Program,” available at: https://careers.geaerospace.com/global/en/ge-aerospace-experienced-commercial-leadership-program?utm_source=chatgpt.com.

¹¹ Circle K, “CK Compass Global Rotational Program,” available at: <https://workwithus.circlek.com/global/en/ck-compass-program>.

¹² Alcon, “Alcon Rotational Leadership Program (RADAR),” available at: <https://www.linkedin.com/jobs/view/alcon-rotational-leadership-program-radar-at-alcon-4383387174/>.

¹³ White House Leadership Development Program (WHLDP), “How to Apply,” available at: <https://www.performance.gov/whldp/how-to-apply/>.

¹⁴ U.S. Department of War (DoW) Chief Information Officer (CIO), “DoW Cyber Information Technology Exchange Program (CITEP),” available at: https://dodcio.defense.gov/Cyber-Workforce/Cyber-Workforce-Development/Rotational-Programs/CITEP/#dnn_ctr149345_dnnTitle_titleLabel.

¹⁵ U.S. Department of War (DoW) Chief Information Officer (CIO), “Department of War Cyber Workforce Rotational Programs Rotational Opportunity Details 2025–2026,” available at: https://dowcio.war.gov/Portals/0/Documents/Cyber/CohortRotationOpportunityDescriptions_V7.pdf.

¹⁶ Geerts J. M. (2024). Maximizing the Impact and ROI of Leadership Development: A Theory- and Evidence-Informed Framework. Behavioral sciences (Basel, Switzerland), 14(10), 955, p. 23. <https://doi.org/10.3390/bs14100955>.

¹⁷ Geerts J. M. (2024). Maximizing the Impact and ROI of Leadership Development: A Theory- and Evidence-Informed Framework. Behavioral sciences (Basel, Switzerland), 14(10), 955. <https://doi.org/10.3390/bs14100955>.

¹⁸ OPM Memorandum, “Hiring and Talent Development for the Senior Executive Service,” May 29, 2025, available at: <https://www.opm.gov/chcoc/latest-memos/hiring-and-talent-development-for-the-senior-executive-service.pdf>.

agencies while promoting candidate development.

Multiple commenters voiced overall support for the utilization of coaching to support candidate development but with some having concerns around confidentiality and governance. Commenter 0004 highlighted “OPM’s clear recognition of the importance of personal growth and leadership development through executive coaching” but expressed concern with the provision that would require agencies to monitor coaching relationships and intervene and adjust as needed as the language “lacks sufficient clarity regarding ethical boundaries.” The commenter felt that “[c]larifying the scope and limits of agency oversight would help preserve the integrity of the coaching relationship while still supporting appropriate program accountability and evaluation.” Commenter 0005 also provided feedback on this provision, recommending OPM remove the requirement for an agency to assess coaching relationships and noted it was redundant with the requirement proposed for § 412.303.

OPM agrees that there should be sufficient ethical boundaries that govern coaching relationships and that these guidelines should be incorporated into agency SESCDP policies and reflected in the documented agreements made between coaches and candidates. Furthermore, OPM concurs with Commenter 0005’s recommendation not to codify these requirements and has removed language from proposed § 412.302(c)(5), as this feedback should be provided as a part of the broader SESCDP training evaluation conducted by agencies.

Lastly, Commenter 0005 questioned whether ERBs are equipped to properly assess coaches but suggested that ERBs could determine acceptable coaching certifying organizations. That same commenter also brought attention to the fact that coaches, by definition, do not advise candidates, but rather support candidates to find their own solutions or answers. OPM agrees that these are valid points. OPM has modified the regulatory text in the final rule to use “supports” rather than “advises” and require that coaches either be certified by an accredited coaching organization or have completed formal, accredited training to ensure coaches have the skills necessary to appropriately support candidates.

Commenter 0008 emphasized support for program evaluations to ensure that SESCDPs are effective and they continually improve and use taxpayer resources effectively. However, the

commenter also conveyed that this presumes agencies have the capacity to not just conduct evaluations but also make changes based on the findings, and that metrics for program evaluations should be chosen carefully to avoid creating additional burden. Section 410.202 requires agencies to evaluate their training programs on an annual basis to determine whether they effectively contribute to mission accomplishment and meet organizational performance goals. Consequently, SESCDPs need to be updated to ensure the program meets the current needs of the agency and candidates consistent with section 410.201. To support agencies with their evaluation and broader re-approval efforts, OPM previously developed two templates, both for the overarching program and individual program cohorts. The templates help to streamline the evaluation process by providing agencies with a resource that identifies and helps track key metrics needed to evaluate the program and that directly supports the re-approval process.

Commenter 0009 argued that, by requiring a minimum placement rate, “Selectors may lean toward candidates who look familiar and predictable, people who resemble the current SES, rather than high-potential, nontraditional candidates who may need more time and development. When placement rates become the driving measure, agencies hedge their bets; they invest in what feels safe.” Although OPM understands the commenter’s concern, this statement appears to reference the post-program requirement for graduates into the SES as driving the selection process that determines which candidates participate in the SESCDP. OPM believes that the connection is attenuated but that there are also sufficient protections in place to avoid the scenario Commenter 0009 fears. First, agencies and their ERBs are required to ensure that programs follow merit staffing provisions (5 CFR 317.501), and OPM has re-emphasized that, “Federal executives must be selected based on their merit, competence, and dedication to our Nation’s Founding ideals—without regard to race, sex, color, religion, or national origin.”¹⁹ Second, as applicants are generally Federal employees, the Government has already

invested in the development of applicants for a program. So, the agency should be incentivized to select any candidate likely to successfully complete the developmental prerequisites for graduation, subsequently achieve a QRB certification, and then ultimately place in the SES. Finally, ensuring that programs can achieve a minimum placement rate supports agencies in identifying whether their programs are successfully training candidates for placement in the SES, and if not, determining how they can make the proper adjustments moving forward.

Commenter 0008 provided additional feedback on this topic, suggesting that, “Minimum placement rates may also be a helpful metric to ensure that CDPs are training future leaders with the skills and experience needed . . . however, rates must be set using a strategic workforce planning process” to avoid imposing undue burdens on agencies. One of OPM’s policy goals of this rulemaking is to help ensure that agencies have effective and cost-efficient SESCDPs that will not only further candidates’ development but also support agencies’ management succession programs. OPM understands the commenter’s perspective and agrees that minimum placement rates should tie to staffing plans or broader succession management process. If OPM set a floor on the number of SESCDP graduates required to be placed in SES positions via regulation, doing so may run counter to OPM’s objectives. Such rigidity would disincentivize agencies from establishing SESCDPs unless its vacancy rate for SES positions fell to the placement rate. Instead, the final rule establishes in § 412.303(b) that agencies will be required to follow OPM guidance in setting placement rates for its SESCDPs. This will allow for more flexibility for agencies to run successful SESCDPs.

Commenter 0008 offered suggestions for managing SESCDPs, which included the creation of a centralized, governmentwide roster of CDP graduates, and also consideration to allow agencies to temporarily or permanently backfill SESCDP candidates’ positions. The commenter believes that these could impact visibility and agency reluctance to participate in SESCDPs. While these features could potentially support participation and placement efforts, OPM does not believe they are appropriate to include in the regulatory language. OPM will explore these ideas further and may provide future resources and guidance to facilitate these solutions.

¹⁹ OPM, “Hiring and Talent Development for the Senior Executive Service” (May 29, 2025), available at <https://www.opm.gov/chcoc/latest-memos/hiring-and-talent-development-for-the-senior-executive-service.pdf>.

Changes in This Final Rule

OPM has reviewed the supervisory, management, and executive development regulations governing the SESCDP and is issuing this final rule in response to the President's directives and pursuant to OPM's regulatory authority in 5 U.S.C. 3396(a) and (b). The following are the principal results sought by the changes to 5 CFR part 412:

- Agencies have effective and cost-efficient SESCDPs that will support agency succession planning and candidate development;

- Agencies identify and select individuals that have demonstrated executive ability and further develop them professionally to step into the SES with the experiences to handle the challenges presented at the highest caliber of public service;

- Agencies maintain a minimum placement rate of program graduates receiving OPM QRB certification to ensure a return on investment; and

- Agencies are better equipped to identify and implement program enhancements or alternative approaches to improve program administration.

To assist agencies in accomplishing these results, OPM is adopting changes to 5 CFR part 412, subpart C "Senior Executive Service Candidate Development Programs." In addition to modifying §§ 412.301 and 412.302 as originally proposed, OPM also added a new § 412.303 to address SESCDP oversight and evaluation in response to public comment. The following are the major changes in part 412, subpart C:

Section 412.301

Section 412.301 provides the requirements for an agency to obtain approval from OPM to conduct an SESCDP. As discussed in "*Program Structure, Implementation, and Evaluation*," OPM is adding a provision that clarifies that it may establish a governmentwide SESCDP in its capacity as the Federal Government's central HR agency. With that new provision, OPM has revised the numbering of the paragraphs in the section. OPM is also adding a requirement for each department or agency HQ-level seeking approval to submit a blanket, enterprise-wide policy for itself and all subcomponents. OPM also has revised and clarified the proposed language requiring agencies to use an OPM-provided program policy template when applying for program approval. The template submission process streamlines program creation by standardizing most elements and aligning all policies across agencies for uniformity. The changes require a

participating agency to include in its policy a description of SESCDP program methodologies, modifications, and improvements by using the OPM-developed SESCDP policy template. Further, the changes also require agencies to obtain OPM re-approval for an SESCDP on a triennial basis to ensure alignment and strategic linkage with agency succession plans.

Agencies that submitted updated policies prior to the issuance of this final rule must resubmit their policies to reflect the requirement modifications made in this final rule. Agencies must use the OPM-developed template to submit their updated policies. OPM policy approvals will occur within 30 days after the effective date of this final rule (*i.e.*, by August 24, 2026), and agencies cannot begin new program cohorts until a new policy has been approved by OPM. Finally, OPM notes that it is retaining language in § 412.301 that prohibits an agency implementing an SESCDP from submitting graduates of a program for QRB review, without first obtaining formal approval from OPM. OPM did not discuss removal in the NPRM but inadvertently left the sentence out of the proposed regulation text.

Section 412.302

Section 412.302 provides the criteria for an SESCDP. To align with updated policy requirements under § 412.301, OPM proposed to provide further clarification around expectations and the role of the ERB as it pertains to agency program oversight and is adopting its proposed language in § 412.302(a) accordingly with modifications. Additionally, as a result of this final rule, SESCDPs must be a minimum of 12 months and can run up to 24 months in length. This program length provides candidates sufficient time to meet the requirements of their SESCDP while supporting agencies' succession planning efforts to develop "ready now" talent.

Current SESCDPs must provide at least 80 hours of formal interagency or multi-sector training experience. As discussed above, this final rule increases this requirement to 100 hours of formal training that relates to the ECQs and related competencies; topics and competencies identified by the agencies that best serve the development of their participants; and topics and competencies prescribed by OPM through policy and guidance. The number of specific hours allocated to each of these topics is at the discretion of each agency.

OPM proposed that participants in an agency SESCDP must receive at least

two validated executive assessments (*i.e.*, assessment methods or instruments supported by evidence showing their validity and reliability in evaluating executive leadership competencies, behaviors, or traits relevant to successful SES performance). The first assessment must be conducted during candidate selection. This selection assessment must be tied to the ECQs to determine potential candidates' leadership qualifications and readiness to participate in an SESCDP. An agency must consider the results of the first assessment in its evaluation of which candidates are best suited to participate in an SESCDP. The second assessment must be conducted during the program cycle to assess the candidate's continuing developmental needs. Similarly, agencies must use in-program assessment results to refine program content and identify and implement, as needed, individualized development opportunities that support SESCDP participants throughout their progression in the program cohort.

Finally, as described above, OPM is requiring a minimum 10 hours each of coaching and mentoring and at least one developmental assignment of 180 continuous days outside the scope of the candidate's position of record. The developmental assignments must include roles at the executive level where the candidate is held responsible for achieving organizational or agency results. The purpose of the new developmental assignment provision is to enhance and broaden the candidate's experience, increase his or her knowledge, and maximize his or her understanding of the overall functioning of the agency, so the candidate is prepared for a range of agency positions at the SES level. OPM is also removing proposed rule language in § 412.302(c)(5) that required agencies to obtain feedback from coaches and candidates on the coaching relationship, as this should be completed as a part of the broader SESCDP training evaluation process. OPM is modifying the proposed requirement for ERBs to approve coaches. In the final rule, the SESCDP must provide for each participant a coach certified by an accredited coaching organization or who has completed formal, accredited training.

Section 412.303

OPM is adding provisions to provide for SESCDP oversight and evaluation with minor wording changes for clarity. Agencies are required to implement programmatic changes based on their program evaluation results and candidate feedback. Each SESCDP must

obtain re-approval from OPM based on demonstrated program effectiveness.

Expected Impact of This Final Rule

A. Statement of Need

OPM is issuing this final rule pursuant to its authority to issue regulations governing the development for and within the SES in 5 U.S.C. 3396. Succession planning, through the identification of high performers, coupled with enhanced leadership preparation and development, plays a critical part in agency mission success. Building a pipeline of high performing GS-14s, 15s, and equivalents equipped with the skills, knowledge, technical expertise, and strategic mindset necessary to excel in senior leadership roles is crucial. Therefore, to build and maintain this “ready now” pipeline, a reformed, focused, and targeted SESCDP is needed to increase succession readiness, particularly through the strategic placement of program graduates who receive OPM SES QRB certification. These prescribed changes will also drive a shift in the culture of the SES and implement more impactful SES training and development requirements.

Inconsistencies among SESCDPs have yielded mixed results across participating agencies. That variability has resulted in different training and development experiences for SESCDP participants and leads to some programs that are more effective than others in preparing their leaders. This causes fluctuating levels of candidate placement rates and creates challenges in supporting governmentwide succession planning efforts. Additionally, OPM and agencies lack visibility on standardized governmentwide program data. The absence of consistent metrics prevents OPM and agencies from comparing results across programs and assessing the impact and value to SESCDP participants and the Government.

B. Impact

SESCDPs are designed to strengthen ECQ competencies for selected high-performing aspiring executives through a demanding learning and developmental experience. An SESCDP provides candidates with governmentwide leadership challenges, opportunities to interact with senior employees outside their assigned department and/or agency, interagency training experiences, executive-level development assignments, mentoring, and coaching.

This experience boosts participants’ executive competencies and expands

their understanding of governmentwide programs and issues beyond their individual agency of assignment and their profession, broadening participants’ understanding of missions, programs, core values, and management challenges. An SESCDP can support an agency’s talent management and succession planning efforts through building an equipped pipeline of “ready now” aspiring leaders. This allows senior agency leaders to make strategic and timely placements to improve performance, accomplish agency mission, and effectively provide services to the American public.

These program changes will add a more unified structure to SESCDPs across Government and ensure a more aligned cadre of graduates through this succession management track. Templated program areas, from policy to program evaluations, will allow for a more integrated comparison of programs over time, allowing decision makers to further tailor the programs to meet the needs of agencies governmentwide and fully aligned with incumbent SES demonstrated leadership competencies. Ultimately, by increasing program standards and training requirements, an SESCDP will better equip program participants to excel in senior leadership roles and effectively implement the President’s agenda. This will not only increase the President’s confidence in the ability of the Executive Branch to serve the Nation but also build trust with the American people.

C. Costs

This final rule will affect the operations of the 13 Federal agencies that currently have an OPM-approved SESCDP policy—ranging from cabinet-level departments to small independent agencies. There are also two other Federal agencies that previously informed OPM that they would be submitting an SESCDP policy for approval. We estimate that this rule would require individuals employed by these agencies to spend time creating an updated SESCDP policy—whether updating their current SESCDP policy or creating a policy to start a new SESCDP—to reflect the updated program structure and administration. There would also be potential cost savings for the two sub-level agencies that have currently approved SESCDP policies as, moving forward, they would fall under their top-level agency policy.

Typically, an agency’s Executive Resources or Training and Development staff handles tasks associated with overseeing the management of SESCDP policies and programs. Therefore, for

this cost analysis, OPM assumes the average salary rate of Federal employees performing this work will be the rate in 2026 for GS-14, step 5, in the Washington, DC, locality pay table (\$163,104 annual locality rate and \$78.15 hourly locality rate). Typically, there are two types of roles who oversee the administration of an SESCDP—program managers and program coordinators—and their combined time would average the equivalent of one FTE at this grade level. We assume 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 \$156.30 per hour.

To comply with the regulatory changes in the final rule, affected agencies need to review the rule and update their policies and procedures. We estimate that, in the first year following publication of a final rule, this would require an average of 100 hours of work by employees with an average hourly cost of \$156.30 per hour. Accounting for the 11 agencies with current approved policies, and the two agencies planning to submit for initial policy approval, this would result in estimated costs of about \$16,000 per agency, or about \$210,000 total. Further, because Federal agencies are not required to obtain an OPM-approved SESCDP policy, each additional agency that decides to apply for a policy approval would equal an estimated cost of \$16,000 per agency. For the second and third years of having an approved policy, agencies would see a cost savings of \$16,000 each year, as the 100 hours of work to review the rule and update policies would not be required. However, following the third year, this cost would be incurred again when the agency must submit a policy for re-approval.

When calculating other operational program costs per SESCDP participant, OPM estimates the average number of participants per program is about 25 participants per cohort. In addition, when calculating program costs for the assessment of applicants, OPM estimates that the assessments would be administered to those applicants on the Best Qualified list, which we estimate to be 40 people per cohort.

These additional program costs would include the increase in formal training hours, the addition of a second validated executive assessment, and the addition of 10 coaching hours to develop a candidate at the executive level. The current average cost of a formal training hour per SESCDP participant is \$150. By adding 20 more formal training hours, the cost of this

program element increases the cost per participant by \$3,000. The current average cost of administering one validated executive assessment is \$350 per assessment. Typically, these assessments require the results to be interpreted to the participant by a professional, adding additional cost. Adding a second assessment for use during the program is an additional \$350. Finally, the cost of external coaching services can range anywhere from \$200 to \$3,000 per hour. When identifying sources that provide the level of professional expertise and coaching services needed to support SESCDP participants, OPM estimates the cost at approximately \$1,000 per hour.

However, to offset costs pertaining to coaching requirements, agencies can utilize Federal coaches (*i.e.*, graduates of the Federal Internal Coaching Training Program) certified in providing coaching services and administering feedback on assessments used by the agency. Of the 11 agencies currently holding policies, and the two agencies that have expressed interest in obtaining an approved policy, eight have formal programs that offer coaching to employees. If these eight agencies utilize their certified internal coaches to provide this service, the cost of adding the coaching requirement into the SESCDP could be reduced by approximately \$2 million each year across Government. Additionally, agencies that do not have coaching programs can partner with OPM to identify and utilize Federal coaches through the Federal Coaching Network (FCN). The FCN is a community of individuals across the Federal Government who are invested in the practice of coaching and support its role in leadership development. Furthermore, by leveraging a multi-agency OPM-approved SESCDP policy, these agencies can partner with those that do have a formal coaching program to combine and share resources. If the remaining agencies (four that currently hold policies and one that has expressed interest in obtaining an approved policy) are able to partner and leverage the preceding coaching resources, this would offset an additional \$1.2 million in coaching costs annually. For agencies able to leverage internal coaching services, OPM estimates that the combined costs for new training and development requirements would be approximately \$152,000 per agency. For agencies who must or choose to leverage external coaching services, that cost would increase to approximately \$402,000 per agency.

It is also important to note that the recruitment and hiring costs to onboard an SES can vary from agency to agency. OPM anticipates that the SESCDPs under this revised framework will more reliably produce high-caliber SES candidates that are ready to step into SES positions. This final rule would require a minimum level of SESCDP graduate placement rate of participants set by OPM as evaluation criteria, reflecting the improved effectiveness of the OPM-approved SESCDPs. OPM expects that this would allow agencies to realize cost savings, as they could offset SES recruitment and hiring costs by increasing the number of SESCDP graduates placed in vacant executive positions.

OPM anticipates that total costs for agencies who are able to leverage the internal savings mentioned above would be an estimated \$168,000 per agency, or \$2.2M across all participating agencies. If all participating agencies must, or choose to, leverage external developmental services or resources, that cost would increase to approximately \$418,000 per agency, or \$5.4M total.

D. Benefits

The standardization of program policies will save time for agencies by reducing policy drafting and approval timelines. Common practice in program evaluation allows for measuring the individual SESCDP participant input on program outcomes, and the standardized feedback will allow for easier comparison from program to program. Additionally, adding an organizational standard evaluation feedback tool provides an opportunity for the impact to be measured more easily for return on investment to the organization, as referenced by Njah et al., which can aid in continued decisions about the impacts that the program outcomes have on the organization.²⁰

Use of validated assessments during the recruitment process will support agencies in identifying those candidates who are on the cusp of becoming senior executives and who are best suited to participate in an SESCDP. Further, use of an assessment—such as a 360-degree assessment—during the course of the SESCDP will also provide valuable feedback to candidates, especially when used as a part of the coaching

relationship. Because this kind of assessment provides feedback from a variety of perceptions, coaches can provide feedback “to bring a measure of objectivity and structure to the coaching engagement.”²¹ The frequency of coaching sessions can be prescribed using the common practice of meeting once per month as is typical with a leadership or executive coach. Because SESCDPs must last at least 12 months, a minimum of 10 hours of coaching is consistent with a cadence of approximately monthly coaching sessions, with additional flexibility for assessment feedback and individualized developmental needs. This structure is supported by research from DiGirolamo, who discusses the benefits of using coaching as a tool in leadership succession management and how “[i]ndividualized attention in coaching will bring a laser-sharp focus on unique strengths and growth opportunities.”

E. Regulatory Alternatives

An alternative to this rulemaking is to not modify current regulatory program requirements and instead issue further OPM guidance encouraging agencies to be increasingly rigorous in their management of their SESCDPs. OPM could recommend that agencies incorporate these changes as promising or best practices, with the goal to increase program oversight, participation, and performance. However, previous attempts to achieve this result through recommendations and informal guidance to agencies have not been successful and, instead, have allowed agencies to continue to modify program methodologies, resulting in varying program policies and results. According to feedback from agencies with approved policies, program managers and coordinators have consistently suggested that OPM standardize improved program requirements so that their SESCDPs would be more aligned. Therefore, solidifying the requirements through OPM-developed templates will reduce the burden on agencies and help produce consistent data points for comparison to ensure quality implementation of SESCDPs governmentwide. Additionally, this will help provide universal data points to agency leadership to illustrate the effectiveness of an agency's SESCDP, how it compares to other agency programs, and ensure program accountability to produce measurable

²⁰ Njah J., Hansoti B., Adeyami A., Bruce K., O'Malley G., Gugerty M.K., Chi B.H., Lubimbi N., Steen E., Stampfly S., Berman E., Kimball A.M. Measuring for Success: Evaluating Leadership Training Programs for Sustainable Impact. *Ann Glob Health*. 2021 Jul 12;87(1):63. doi: 10.5334/aogh.3221. PMID: 34307066; PMCID: PMC8284530.

²¹ DiGirolamo, Joel. Coaching for Professional Development, SHRM-SIOP Science of HR White Paper Series. Society for Human Resource Management & Society for Industrial and Organizational Psychology. 2015.

high-quality, timely, and cost-effective results.

Regulatory Compliance

A. Regulatory Review

OPM has examined the impact of this rule as required by E.O.s 12866 and 13563, which direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public, health, and safety effects, distributive impacts, and equity). A regulatory impact analysis must be prepared for rules that have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. This rulemaking does not reach that threshold but has otherwise been designated a “significant regulatory action” under section 3(f) of Executive Order 12866. This rule is not considered an E.O. 14192 regulatory action because it imposes no more than de minimis costs.

B. Regulatory Flexibility Act

The Director of OPM certifies that this rulemaking will not have a significant economic impact on a substantial number of small entities because it will apply only to Federal agencies and employees.

C. Federalism

This rulemaking will not have substantial direct effects on the States, on the relationship between the National Government and the States, or on distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this final rule does not have sufficient federalism implications to warrant preparation of a Federalism Assessment.

D. Civil Justice Reform

This rulemaking meets the applicable standards set forth in section 3(a) and (b)(2) of Executive Order 12988.

E. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA)

requires that agencies assess anticipated costs and benefits before issuing any rule that would impose spending costs on State, local, or tribal governments in the aggregate, or on the private sector, in any 1 year of \$100 million in 1995 dollars, updated annually for inflation. That threshold is currently approximately \$206 million. This rulemaking will not result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, in excess of the threshold. Thus, no written assessment of unfunded mandates is required.

F. Congressional Review Act

This is a rule relating to agency management or personnel. It also addresses agency practice or procedure and does not substantially affect the rights or obligations of non-agency parties. Accordingly, this rule does not come within the meaning of the term “rule” as used in 5 U.S.C. 804(3), and the reporting requirement of 5 U.S.C. 801 does not apply.

G. Paperwork Reduction Act

This regulatory action will not impose any reporting or recordkeeping requirements under the Paperwork Reduction Act.

List of Subjects in 5 CFR Part 412

Education, Government employees.

Signing Statement

The Director of OPM, Scott Kupor, reviewed and approved this document and has authorized the undersigned to electronically sign and submit this document to the Office of the Federal Register for publication.

U.S. Office of Personnel Management.

Jerson Matias,

Federal Register Liaison.

Accordingly, for the reasons stated in the preamble, OPM amends 5 CFR part 412 as follows:

PART 412—SUPERVISORY, MANAGEMENT, AND EXECUTIVE DEVELOPMENT

■ 1. The authority citation for part 412 is revised to read as follows:

Authority: 5 U.S.C. 1103(c)(2)(C), 3396, 3397, and ch. 41.

Subpart C—Senior Executive Service Candidate Development Programs

■ 2. Amend § 412.301 by revising paragraphs (b) through (e) and adding paragraph (f) to read as follows:

§ 412.301 Obtaining approval to conduct a Senior Executive Service candidate development program (SESCDP).

* * * * *

(b) An agency covered by 5 U.S.C. chapter 31, subchapter II, may apply to OPM to conduct an SESCDP alone or on behalf of a group of agencies. (In this subpart, the term “agency” refers to either a single agency or a group of agencies acting in partnership under this subpart.) In addition, OPM may establish a Governmentwide SESCDP consistent with 5 U.S.C. 3396 and this subpart. OPM will provide additional guidance concerning the Governmentwide SESCDP, as needed.

(c) Any agency developing an SESCDP must submit a single overarching policy document to OPM for formal approval before implementing the SESCDP. An agency implementing an SESCDP without first obtaining formal approval may not submit graduates of the program for QRB review. OPM may establish governmentwide SESCDP policy templates that agencies must use to describe program methodologies and address any needed program modifications or improvements.

(d) An agency must seek OPM re-approval (see § 412.303) on a triennial basis and must also seek OPM approval before implementing a change substantially altering how the SESCDP complies with the requirements of this part. OPM re-approval must be obtained before an agency initiates a new SESCDP; a substantial change constitutes a new SESCDP.

(e) An approved SESCDP policy will serve as an umbrella program policy and establish enterprise-wide requirements for the entire agency. An agency with an OPM-approved SESCDP policy may authorize a major agency component or subcomponent employing senior executives to conduct an SESCDP. The major agency component or subcomponent must utilize and adhere to the approved agency policy when administering an individual SESCDP cohort.

(f) As always, agencies should be mindful of merit principles in carrying out their functions under this subpart.

■ 3. Amend § 412.302 by revising paragraphs (a) through (c) to read as follows:

§ 412.302 Criteria for a Senior Executive Service candidate development program (SESCDP).

(a) *Executive Resources Board requirements.* (1) An agency's Executive Resources Board (ERB) must oversee the agency's SESC DP(s). The ERB ensures the development program both complies with the requirements of paragraph (c) of this section and includes substantive developmental experiences that should equip a successful candidate to accomplish Federal Government missions as a senior executive.

(2) The agency ERB must oversee and be accountable for SESC DP recruitment, merit staffing, and assessment. The agency ERB must ensure the program follows SES merit staffing provisions in 5 CFR 317.501, subject to the condition explained in paragraph (d)(1) of this section.

(3) The ERB also must oversee development, evaluation, progress in the program, and graduation of candidates, and submit for QRB review within 80 calendar days of graduation those candidates determined by the ERB to possess the Executive Core Qualifications (ECQs). The ERB must also oversee the writing and implementation of a removal policy for program candidates who do not make adequate progress.

(4) Any major agency component or subcomponent authorized to conduct an SESC DP must work with the principal agency to determine the appropriate ERB oversight.

(5) If a candidate's employing agency is not conducting the SESC DP (as in the case of a multi-agency SESC DP or an OPM Governmentwide SESC DP), the candidate's employing agency's ERB will be responsible for completing the ERB requirements prescribed under this subpart. An agency running a multi-agency SESC DP, including an OPM governmentwide SESC DP, will serve as an advisor to a candidate's agency ERB. The candidate's employing agency's ERB will determine when its sponsored candidates have completed program requirements, including all individual development plan elements approved by the ERB, and certify their graduation from the program. For a participant who does not have an employing agency at the time of selection, the sponsoring agency's ERB is responsible for selection, oversight, and QRB submission before the participant enters the program.

(b) *Recruitment.* (1) Consistent with the merit system principles in 5 U.S.C.

2301(b)(1) and (2), agencies must ensure that recruitment for the program is from all groups of qualified individuals within the civil service, or all groups of qualified individuals whether or not within the civil service.

(2) The number of expected SES vacancies must be considered as one factor in determining the number of selected candidates, and agencies, to the maximum extent possible, should ensure program participation includes candidates from outside of the agency.

(3) Agencies must require each applicant to complete one validated executive assessment during the program application process and each SESC DP participant to complete at least one additional validated executive assessment during the course of the SESC DP. Assessments must provide an objective measure of an individual's knowledge, skills, or abilities relevant to the ECQs and related competencies to permit evaluation of the individual's capabilities and readiness for executive leadership roles. Agencies must consider the results of the assessment conducted during the application process in identifying those candidates who are best suited to participate in an SESC DP. Agencies must use the in-program assessment results to identify and adjust, as needed, areas of continuing development for each SESC DP participant while he or she progresses through the program.

(c) *Senior Executive Service candidate development program requirements.* An SESC DP program cohort must last a minimum of 12 months but must not exceed 24 months in duration. Agencies may grant extensions up to 120 days beyond the 24-month duration for individual candidates due to extenuating circumstances. Any additional extension of time must be submitted to OPM for approval. To graduate, a candidate must accomplish the requirements of the program established by his or her agency. An SESC DP must include each of the following elements for each SESC DP participant:

(1) A documented development plan based upon a competency-based needs determination and approved by the agency ERB. The candidate must utilize the OPM-standardized Executive Development Plan (EDP) template, which will:

- (i) Address the ECQs;
- (ii) Address Federal Government leadership challenges crucial to the senior executive;
- (iii) Provide increased knowledge and understanding of the overall functioning of the agency, so the participant is

prepared for a range of positions and responsibilities;

(iv) Include interaction with senior employees outside the candidate's department or agency to foster a broader perspective; and

(v) Address Governmentwide or multi-agency applicability in the nature and scope of the training;

(2) A formal interagency and/or multi-sector training or experiential learning activity lasting at least 100 hours that relates to the ECQs and related competencies. The agency may add any agency-specific mission critical training topics and competencies, and any additional topics and competencies prescribed by OPM through guidance and policy. The training experience must include interaction with senior employees outside the candidate's department or agency.

(3) A developmental assignment of at least 180 consecutive calendar days of full-time service to a position other than, and substantially different from, the candidate's position of record. The assignment must include executive-level responsibility and differ from the candidate's current and past assignments in ways that broaden the candidate's experience, as well as challenge the candidate with respect to leadership competencies and the ECQs. Assignments need not be restricted to the agency, the executive branch, or the Federal Government, so long as they can be accomplished in compliance with applicable law and Federal and agency-specific ethics regulations. The candidate is held accountable for organizational or agency results achieved during the assignment. If the assignment is in a non-Federal organization, the ERB must provide for adequate documentation of the individual's actions and accomplishments and must determine the assignment will contribute to development of the candidate's executive qualifications.

(4) A mentor who is a member of the SES or is otherwise determined by the ERB to have the knowledge and capacity to advise the candidate, consistent with goals of the SESC DP. The mentor and the candidate are jointly responsible for a productive mentoring relationship and are required to meet for a minimum of 10 hours during the course of the SESC DP. However, the agency should establish methods to assess these relationships and, if necessary, facilitate them or make appropriate changes in the interest of the candidate.

(5) A leadership or executive-level coach who has completed formal, accredited training, or has received certification from an accredited

coaching organization, and has the ability to support the candidate consistent with the goals of the SESCO. The coach and the candidate are jointly responsible for a productive coaching relationship and are required to meet for a minimum of 10 hours during the course of the SESCO.

* * * * *

■ 4. Add § 412.303 to read as follows:

§ 412.303 Senior Executive Service candidate development program (SESCDP) oversight and evaluation.

(a) An agency must complete and maintain program evaluations pursuant to training evaluation requirements in 5 CFR 410.202 and must use OPM-developed evaluation templates for completion, respectively, by individual SESCO participants and agency program managers:

(1) Upon completion of each individual SESCO cohort;

(2) Annually for the overarching SESCO; and

(3) To collect evaluation data for the purpose of identifying and implementing program enhancements or alternative approaches to program administration.

(b) To seek OPM re-approval of an SESCO policy, an agency must submit its current program policy and completed overarching program evaluation template. Evaluations must include initial SES placement rates for graduates who receive a QRB certification and demonstrate that the agency maintains a minimum placement rate as specified by OPM policy and guidance. Individual participant program cohort evaluation templates are not required for re-approval; however, OPM reserves the right to request templates for each individual cohort during the current approval period.

[FR Doc. 2026-12811 Filed 6-24-26; 8:45 am]

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DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 15

[Docket ID OCC-2024-0012]

RIN 1557-AF22

FEDERAL RESERVE SYSTEM

12 CFR Part 262

[Docket No. R-1837]

RIN 7100 AG-79

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 304

RIN 3064-AF96

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 753

RIN 3133-AF70

CONSUMER FINANCIAL PROTECTION BUREAU

12 CFR Part 1077

[Docket No. CFPB-2024-0034]

RIN 3170-AB20

FEDERAL HOUSING FINANCE AGENCY

12 CFR Part 1226

RIN 2590-AB38

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 140

RIN 3038-AF43

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 256

[Release No. 33-11420; 34-105536; IA-6967; IC-36163; File No. S7-2024-05]

RIN 3235-AN32

DEPARTMENT OF THE TREASURY

31 CFR Part 151

[Docket No. TREAS-DO-2024-0008]

RIN 1505-AC86

Financial Data Transparency Act Joint Data Standards

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury; Board of

Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); National Credit Union Administration (NCUA); Consumer Financial Protection Bureau (CFPB); Federal Housing Finance Agency (FHFA); Commodity Futures Trading Commission (CFTC); Securities and Exchange Commission (SEC); Department of the Treasury (Treasury).
ACTION: Final rule.

SUMMARY: The OCC, Board, FDIC, NCUA, CFPB, FHFA, CFTC, SEC, and Treasury are publishing a final joint rule to establish data standards to promote interoperability of financial regulatory data across these agencies. The standards established pursuant to this joint rule will later be considered for potential incorporation (to the extent feasible) into data standards to be adopted for certain collections of information in separate rulemakings by the agencies or through other actions taken by the agencies. At the effective date, the joint rule will not change any reporting requirements without further action by the agencies. The agencies are publishing this joint rule as required by the Financial Data Transparency Act of 2022.

DATES: *Effective date:* The joint rule is effective on October 1, 2026. At the effective date, the joint rule will not change any reporting requirements without further action by the agencies.

FOR FURTHER INFORMATION CONTACT:
OCC: Richard Heeman, Enterprise Data Governance Program Manager, Office of the Chief Information Officer and Chief Data Officer, (202) 945-7224; Allison Hester-Haddad, Special Counsel, John Cooper, Counsel, Chief Counsel's Office, (202) 649-5490; 400 7th Street SW, Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability, please dial 711 to access telecommunications relay services.

Board: Katherine Tom, Chief Data Officer, (202) 872-4986; Nuha Elmaghrabi, Clearance Officer, (202) 471-0928, Office of the Chief Data Officer; William Treacy, Adviser, (202) 452-3859, Division of Supervision and Regulation; Asad Kudiya, Associate General Counsel, (202) 475-6358; Gillian Burgess, Senior Counsel, (202) 489-2422; Sumeet Shroff, Senior Counsel, (202) 568-2560, Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551. For users of TTY—TRS, please call 711 from any telephone, anywhere in the United States.

FDIC: Geoffrey Nieboer, Chief Data Officer, (703) 516-5850,