
Approved for Release
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Date

DEPARTMENT OF COMMERCE
OFFICE OF HUMAN RESOURCES MANAGEMENT
HUMAN RESOURCES (HR) BULLETIN #278, FY26

SUBJECT: Schedule Policy/Career Compensation

EFFECTIVE DATE: Upon Release of the Human Resources (HR) Bulletin

EXPIRATION DATE: Effective until canceled or superseded

SUPERSEDES: None

BACKGROUND: On January 20, 2025, the President signed Executive Order (E.O.) 14171, “Restoring Accountability to Policy-Influencing Positions Within the Federal Workforce.” E.O. 14171 reinstated and amended E.O. 13957, “Creating Schedule F in the Excepted Service.” The Office of Personnel Management (OPM) published the Final Rule titled “Improving Performance, Accountability and Responsiveness in the Civil Service” on February 5, 2026. This rule is codified in parts 212, 213, and 302 of title 5, Code of Federal Regulations (CFR).

PURPOSE: This Human Resources (HR) Bulletin establishes the Department of Commerce’s (Department) policy regarding compensation authorities and related personnel programs applicable to employees appointed or moved into Schedule Policy/Career positions. This Bulletin provides guidance regarding student loan repayment benefits; recruitment, relocation, and retention incentives; and awards and performance-based compensation authorities.

COVERAGE: This policy applies to all Department employees who encumber a Schedule Policy/Career position; all applicants for a Schedule Policy/Career position with the Department; and all Department officials with authority to take, direct, recommend, or approve personnel actions with respect to applicants to, or Department employees encumbering, Schedule Policy/Career positions.

POLICY: It is the policy of the Department to govern the administration of student loan repayment benefits, recruitment incentives, relocation incentives, retention incentives, and awards for employees appointed or moved to Schedule Policy/Career positions described in 5 CFR § 213.3601(b), in accordance with applicable laws, regulations, Executive Orders, and OPM guidance. The following provisions establish requirements applicable to Schedule Policy/Career positions.

1. Student Loan Repayments for Schedule Policy/Career Employees:

- a. The Department may continue to provide student loan repayment benefits under the terms of an existing applicable service agreement to employees in positions moved to Schedule Policy/Career unless eligibility is lost under 5 CFR § 537.108.
- b. The Department may not approve a new student loan repayment benefit authorization nor establish a new service agreement for an employee occupying a position that is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character, including an employee appointed or moved to Schedule Policy/Career.

2. Recruitment, Relocation, and Retention Incentives for Schedule Policy/Career Employees:

- a. The Department may continue to pay employees in Schedule Policy/Career any outstanding recruitment, relocation, or retention incentives under the terms of an applicable service agreement established prior to the employee's position moving into Schedule Policy/Career. Such employees are required to fulfill their agreed-upon service period under the terms of an applicable service agreement.
- b. The authorized agency official may terminate a recruitment or relocation incentive service agreement for an employee whose position is moved into Schedule Policy/Career consistent with OPM regulations at 5 CFR § 575.111(a) or § 575.211(a).
- c. The Department may not approve new recruitment, relocation, or retention incentive authorizations or service agreements for employees appointed or moved into Schedule Policy/Career.
- d. The Department may continue to pay retention incentives without a service agreement to employees whose positions are moved into Schedule Policy/Career, provided that the authorized agency official determines that the payment otherwise continues to be warranted in consideration of the factors set forth in 5 CFR § 575.311(f).

3. Awards for Schedule Policy/Career Employees:

- a. The Department may continue to pay performance-based, special act, and other awards established under 5 U.S.C, chapter 45 (or similar awards authority) to the extent permitted under Administration policies, to employees appointed or moved to Schedule Policy/Career.
- b. Employees serving in Senior Level or Scientific and Professional positions who are appointed or moved to Schedule Policy/Career may be ineligible for Presidential Rank Awards due to the confidential or policy-determining character of such positions.

REFERENCES: E.O. 14410, *Implementing Schedule Policy/Career in the Excepted Service*, 91 Fed. Reg. 34893 (Jun. 3, 2026); E.O. 14171, *Restoring Accountability to Policy-Influencing Positions Within the Federal Workforce*, 90 Fed. Reg. 8631 (Jan. 31, 2025); E.O. 13957,

Creating Schedule F in the Excepted Service, 85 Fed. Reg. 67631 (Oct. 26, 2020); *Improving Performance, Accountability and Responsiveness in the Civil Service*, 91 Fed. Reg. 5580 (Feb. 6, 2026); 5 CFR parts 213, 451, 537, and 575, including 5 CFR 213.3602(b) and (c).

OFFICE OF TALENT POLICY: TalentPolicy@doc.gov