



DEPARTMENT OF COMMERCE

15 CFR Part 2

[Docket No. 260107-0007]

RIN 0605-AA83

Updating and Streamlining the Regulations Governing the Handling and Settlement of Claims Under the Federal Tort Claims Act

AGENCY: Office of the Secretary, Department of Commerce.

ACTION: Final rule.

SUMMARY: By this rule, the Department of Commerce (“Department”) is amending its regulations governing the administrative handling and settlement of claims under the Federal Tort Claims Act (“FTCA”). This rule updates outdated references to a position that no longer exists within the Department, eliminates redundant restatements of sections of the FTCA and other applicable authorities, consolidates and simplifies the framework governing the issuance of supplementary regulations, and removes some unnecessary and inconsequential language. This action is necessary to update and streamline the Department’s regulations governing the handling and settlement of FTCA claims and to ensure that such regulations conform with the underlying statutory text. The intended effect is to promote accuracy and clarity for the public and to ensure that the Department’s regulations are both statutorily proper and efficient.

DATES: The rule is effective [INSERT DATE OF PUBLICATION IN FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Daniel Sweeney, Senior Counsel, Office of the General Counsel, at (202) 482-1395.

SUPPLEMENTARY INFORMATION:

I. Executive Summary

The Department is amending its regulations at 15 CFR Part 2, which govern the handling and settlement of FTCA claims pursuant to 28 U.S.C. 2671–2680, as amended by Pub. L. 89-506, 80 Stat. 306. Specifically, the Department is amending Part 2 by updating the references to the “Assistant General Counsel for Finance and Litigation” in §§ 2.4(b), 2.5(a), and 2.5(b), and by removing §§ 2.2, 2.3(c), 2.4(c), 2.5(d), and 2.7. The updates will promote accuracy and clarity, and the removals will reduce regulatory complexity and clutter by eliminating language that is redundant, inconsequential, and/or otherwise unwarranted. The removals will also ensure proper conformity and alignment with underlying statutory text by removing regulatory elaboration that is neither clearly required nor clearly authorized by such text. The Department is making these revisions to clarify and simplify the regulatory requirements and processes set forth in Part 2, and to ensure that such requirements and processes are both statutorily proper and efficient.

II. Background

A. Regulatory History

The Department is amending its regulations at 15 CFR Part 2, which pertain to the handling and settlement of claims under the FTCA. The FTCA grants private parties the ability to bring suit and seek compensation for torts committed by federal employees acting with the scope of their employment. As relevant, 28 U.S.C. 2672 provides that “[t]he head of each Federal agency or his designee, in accordance with regulations prescribed by the Attorney General, may consider, ascertain, adjust, determine, compromise, and settle any claim for money damages against the United States for injury or loss of property or personal injury or death caused by the negligent or wrongful act or omission of any employee of the agency while acting within the scope of his office or employment.” Consistent with 28 U.S.C. 2672, the regulations at 15 CFR Part 2 establish the Department’s framework for the delegation of authority to settle or

deny such claims and the procedures for the administrative adjudication of such claims. *See* 15 CFR 2.1(a).

The Department originally established the procedures in this Part 2 through a final rule published on March 7, 1967 (32 FR 3769). That rule was promulgated to implement the FTCA, as amended by Public Law 89-506, which required claimants to present a claim to the appropriate Federal agency for administrative adjudication before filing suit in court. The original 1967 rule delegated the authority to settle or deny FTCA claims to specific Department officials and required that all procedures be guided by the comprehensive regulations issued by the Attorney General, found at 28 CFR part 14.

The Department has amended its FTCA regulations twice since their original promulgation. On July 11, 1983, the Department published a final rule (48 FR 31636) that revised the regulations to reflect an organizational change, transferring the primary responsibility for handling FTCA claims from the Assistant Secretary for Administration to the General Counsel. Thereafter, in a final rule published on June 2, 1998 (63 FR 29945), the Department amended the procedures again to conform with contemporary practice, organizational shifts, and statutory changes. The 1998 amendment transferred procedural responsibilities to the Assistant General Counsel for Finance and Litigation, removed several outdated provisions including a departmental requirement for an annual report, and updated the regulations to be consistent with amendments to the FTCA made by Public Law 100-694, which expanded the personal immunity of federal employees acting within the scope of their employment.

B. Description of the Regulations in 15 CFR Part 2

Part 2 consists of seven regulatory sections: §§ 2.1–2.7.

Section 2.1 states the purpose of Part 2 as being “to delegate authority to settle or deny claims under the [FTCA], and to establish procedures for the administrative adjudication of such claims accruing on or after January 18, 1967.” 15 CFR 2.1(a).

Section 2.2 identifies and summarizes applicable provisions of law and other regulations thereunder. Specifically, paragraph (a) consists of quoted language from 28 U.S.C. 2672; paragraph (b) consists of quoted language from 28 U.S.C. 2675(a); paragraph (c) summarizes 28 U.S.C. 2678; paragraph (d) consists of quoted language from 28 U.S.C. 2401(b); and paragraph (e) explains that the Attorney General has issued regulations pursuant to 28 U.S.C. 2672 at 28 CFR Part 14. 15 CFR 2.2(a)–(e).

Section 2.3 pertains to the delegation of authority. Paragraph (a) provides that “[t]he General Counsel is hereby named as the designee of the Secretary of Commerce with respect to tort claims filed under section 2672 of Title 28, U.S. Code, as described in § 2.2, with authority to act on such claims as provided in said section 2672, including denial thereof.” 15 CFR 2.3(a). Paragraph (b) provides that “[a]uthority delegated under this section may, with the approval of the General Counsel, be redelegated to other designees.” 15 CFR 2.3(b). And paragraph (c) states that “[s]ettlement or denial of any claim under this part is final for the Department of Commerce.” 15 CFR 2.3(c).

Section 2.4 pertains to the procedure for filing claims. Paragraph (a) states that such procedure shall be pursuant to §§ 14.2, 14.3, and 14.4 of the regulations set forth by the Attorney General at 28 CFR Part 14. 15 CFR 2.4(a). Paragraph (b) states that claims shall be filed with the Department’s Assistant General Counsel for Finance and Litigation, and that any claims filed elsewhere in the Department “shall immediately be recorded and transmitted to the Assistant General Counsel for Finance and Litigation.” 15 CFR 2.4(b)–(c).

Section 2.5 establishes administrative procedures for the adjudication and settlement of claims. In particular, it sets forth certain procedures for the Assistant General Counsel for Finance and Litigation to follow, *see* 15 CFR 2.5(a)–(c), and it states that “[d]esignees hereunder are responsible for the control over and expeditious handling of claims, bearing in mind the applicable statutory time limitations for adjudications of claims,” 15 CFR 2.5(d).

Section 2.6 pertains to the payment of claims. It provides that “[w]hen an award is made, the file on the case shall be transmitted to the appropriate fiscal office for payment by the Department or for transmittal for payment as prescribed by § 14.10” of the Attorney General’s regulations at 28 CFR Part 14. 15 CFR 2.6. Section 2.6 further provides that “[p]rior to payment[,] appropriate releases shall be obtained, as provided in said section.” *Id.*

Lastly, § 2.7 pertains to the issuance of supplementary regulations. Paragraph (a) provides that “[t]he Assistant General Assistant General Counsel for Finance and Litigation may from time to time issue such supplementary regulations or instructions as he/she deems appropriate to carry out the purpose of this part.” 15 CFR 2.7(a). And paragraph (b) provides that designees may issue regulations or instructions with the approval of the Assistant General Counsel for Finance and Litigation. 15 CFR 2.7(b).

III. Discussion

The Department is amending its regulations pertaining to the administrative handling and settlement of claims under the FTCA, located at 15 CFR Part 2. The Department is amending said regulations to update the outdated references to the “Assistant General Counsel for Finance and Litigation,” and to remove several provisions that are redundant, statutorily unnecessary, and/or otherwise unwarranted. The Department is making these amendments to reduce regulatory complexity and to promote accuracy, clarity, statutory conformity, and efficiency. The provisions being updated are §§ 2.4(b), 2.5(a), and 2.5(b), and the provisions being removed are §§ 2.2, 2.3(c), 2.4(c), 2.5(d), and 2.7. The reasoning for each of these amendments is explained below.

Updating the References to an Outdated Position

First, the Department is updating the references in Part 2 to the “Assistant General Counsel for Finance and Litigation,” *see* 15 CFR 2.4(b), 2.5(a)–(b), as that position does not currently exist within the Department. Instead, the appropriate official is now the Assistant

General Counsel for Employment, Litigation and Information. The Department is amending Part 2 accordingly, to ensure that its regulations are accurate and up-to-date.

Removing Redundant Restatements of Other Authorities

Next, the Department is removing certain provisions that restate other authorities and lack a sufficient, independent justification. Section 2.2, for instance, provides a redundant overview certain sections of the FTCA and regulations issued thereunder at 28 CFR Part 14. 15 CFR 2.2(a)–(e). While it is of course helpful to include in Part 2 some reference to those related and applicable authorities, §§ 2.1, 2.3(a), and 2.4(a) already refer to such authorities. *See* 15 CFR 2.1, 2.3(a), 2.4(a). The Department is satisfied that §§ 2.1, 2.3(a), and 2.4(a) provide readers with adequate notice of the FTCA and 28 CFR Part 1, and it is the Department’s policy to encourage readers to consult other authorities directly. In particular, reprinting provisions of the FTCA in the Code of Federal Regulations serves no practical purpose, as those statutory provisions are legally binding on their own and are readily accessible to the public. By simply reprinting statutory language in the Code of Federal Regulations, agencies risk issuing regulations that may become outdated or inconsistent if Congress amends the underlying statute. The Department therefore considers § 2.2 to be redundant and unwarranted.

The Department considers § 2.3(c) to also be redundant and unwarranted. That provision states that a “settlement or denial of any claim under this part is final for the Department of Commerce.” 15 CFR 2.3(c). This language is duplicative of 28 U.S.C. 2672, which provides that “any . . . determination” on a claim for money damages against the United States under the FTCA “shall be final and conclusive on all officers of the Government, except when procured by means of fraud.” Because § 2.3(c) does not add any new substantive dimension beyond what 28 U.S.C. 2672 conveys, the Department considers § 2.3(c) to be unnecessary, a potential source of confusion, and appropriate for removal.

Removing Provisions Authorizing the Delegated Issuance of Supplementary Regulations

Next, the Department is removing § 2.7, which authorizes the Assistant General Counsel and other designees to issue their own supplementary regulations and instructions. As a legal matter, the text of the FTCA does not clearly require or authorize such a provision; the absence of a statutory mandate, alone, warrants reconsideration under the Department's broader deregulatory effort. As a matter of policy, the Department is of the view that § 2.7 creates a risk of fragmented and inconsistent regulations and internal directives. Given these considerations, the Department has determined that § 2.7 should be removed.

Removing Minor and Unnecessary Language

Lastly, the Department is removing two relatively minor and unnecessary provisions for the purpose of streamlining Part 2. Section 2.4(c) provides that, “[i]f a claim is filed elsewhere in the Department,” meaning not with the appropriate Assistant General Counsel, “[the claim] shall be immediately recorded and transmitted” to that Assistant General Counsel. 15 CFR 2.4(c). Similarly, § 2.5(d) states that “[d]esignees hereunder are responsible for the control over and expeditious handling of claims, bearing in mind the applicable statutory time limitations for adjudications of claims.” 15 CFR 2.5(d). Both of these provisions concern internal administrative requirements and expectations; neither is necessary or especially helpful to include in Part 2 for the public. The Department has accordingly determined that both §§ 2.4(c) and 2.5(d) are appropriate for removal.

IV. Regulatory Certifications

A. Administrative Procedure Act

Pursuant to 5 U.S.C. 553(b)(B), the Department finds good cause to waive the prior notice and opportunity for public participation requirements of the Administrative Procedure Act for this final rule. The Department considers this rule to be uncontroversial, and has determined that prior notice and opportunity for public participation is unnecessary, because this rule only updates outdated references and removes language that is redundant, not clearly required or

authorized by statute, inconsequential, and/or otherwise unwarranted; public participation would not justify the continued inclusion of any of the affected language in 15 CFR Part 2. For the same reasons, the Department has determined that delaying the effectiveness of these amendments would be contrary to the public interest. The language being removed by this rule contributes to regulatory complexity, poses a risk of confusion, and exceeds the bounds of what is clearly required or authorized by the underlying statute; its removal will immediately benefit the public at little to no cost. The Department therefore finds good cause to waive the public notice and comment period under 553(b)(B) and to waive the 30-day delay in effectiveness under 553(d).

B. Executive Orders 12866, 14192, 13132

The Office of Management and Budget has determined this rule [is not] significant pursuant to Executive Order (E.O.) 12866. This rule is an E.O. 14192 deregulatory action. This rule does not contain policies having federalism implications as the term is defined in E.O. 13132.

C. Regulatory Flexibility Act

Because a notice of proposed rulemaking and an opportunity for public participation are not required to be given for this rule by 5 U.S.C. 553(b)(B), the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable. Accordingly, no regulatory flexibility analysis is required, and none has been prepared.

D. Paperwork Reduction Act

This rule will not impose additional reporting or recordkeeping requirements under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501 *et seq.*

List of Subjects in 15 CFR Part 2

Administrative practice and procedure, Authority delegations (Government agencies), Claims.

Dated: January 13, 2026.

Paul Dabbar,
Deputy Secretary of Commerce.

Accordingly, for the reasons set forth above, part 2 of title 15 of the Code of Federal Regulations is amended as follows:

**PART 2—PROCEDURES FOR HANDLING AND SETTLEMENT OF CLAIMS UNDER
THE FEDERAL TORT CLAIMS ACT**

1. The authority citation for part 2 continues to read as follows:

Authority: 28 U.S.C. 2672

§ 2.2 [Removed and Reserved]

2. Remove and reserve § 2.2.

§ 2.3 [Amended]

3. Remove and reserve § 2.3(c).

4. Revise § 2.4 to read as follows:

§ 2.4 Procedure for filing claims.

(a) The procedure for filing and the contents of claims shall be pursuant to §§ 14.2, 14.3, and 14.4 of the Regulations (28 CFR part 14).

(b) Claims shall be filed with the Assistant General Counsel for Employment, Litigation and Information, Department of Commerce, Washington, D.C. 20230.

(c) [Reserved]

5. Revise § 2.5 to read as follows:

§ 2.5 Adjudication and settlement of claims.

(a) Upon receipt of a claim by the Assistant General Counsel for Employment, Litigation and Information, the time and date of receipt shall be recorded. The Assistant General Counsel may, after recording the claim, transmit it to the Departmental office or primary operating unit involved in the claim and request that an investigation be conducted. The appropriate

Departmental office or primary operating unit shall designate an official to conduct the investigation, who shall prepare a file, obtain additional information as necessary, and prepare for the Assistant General Counsel's signature a proposed award or denial of the claim. If the investigation capabilities of the office or unit are insufficient for a proper and complete investigation, the office or unit shall consult with the Departmental Office of Investigations and Security to:

(1) Have that Office conduct the investigation; or

(2) Request another Federal agency to conduct the investigation as necessary, pursuant to § 14.8 of the regulations (28 CFR part 14), all on a reimbursable basis.

(b) If the amount of the proposed award exceeds \$25,000 (in which case, approval by the Attorney General is required), or if consultation with the Department of Justice is desired or required pursuant to § 14.6 of the regulations, the Assistant General Counsel for Employment, Litigation and Information will prepare and compile the material required by the Department of Justice under § 14.7 of the Regulations.

(c) Denial of a claim shall be communicated as provided by § 14.9 of the regulations (28 CFR part 14).

(d) [Reserved]

§ 2.7 [Removed and Reserved]

6. Remove and reserve § 2.7.

[FR Doc. 2026-00696 Filed: 1/14/2026 8:45 am; Publication Date: 1/15/2026]