This document is scheduled to be published in the Federal Register on 2026-07-31 and available online at https://www.federalregister.gov/d/2026-15589, and on https://govinfo.gov

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 178

[Docket ID: OPM-2026-0364]

RIN: 3206-AP10

Procedures for Settling Claims

AGENCY: Office of Personnel Management.

ACTION: Direct final rule.

SUMMARY: The Office of Personnel Management (OPM) is issuing this direct final rule to update the provisions concerning administrative claims submissions to OPM.

DATES: This direct final rule (DFR) is effective [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] unless significant adverse comment is submitted by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. If OPM receives significant adverse comment, OPM will publish a timely withdrawal in the Federal Register.

ADDRESSES: You may submit comments on the Federal eRulemaking Portal: https://www.regulations.gov. Follow the instructions for sending comments.

All comments received will be posted without change, including any personal information provided. To ensure that your comments are considered, you must submit them within the specified open comment period. Before finalizing this rule, OPM will consider all comments within the scope of the regulations received on or before the closing date for comments. OPM may make changes to the final rule after considering the comments received.

A summary of this rule may be found in the docket for this rulemaking at www.regulations.gov.

FOR FURTHER INFORMATION CONTACT: Joe Knouff by email at adjudications@opm.gov or (202) 606-7948.

SUPPLEMENTARY INFORMATION: Subpart A of 5 CFR part 178 prescribes general procedures applicable to claims against the United States that may be settled by the Director of the Office of Personnel Management (OPM) involving Federal civilian employees' compensation and leave, deceased federal employees, and checks issued to a veteran who dies on or after the last day of the period covered by the check. Claims under the exclusive jurisdiction of administrative agencies pursuant to specific statutory authority, claims concerning matters that are subject to negotiated grievance procedures under collective bargaining agreements, and claims under the Fair Labor Standards Act (FLSA) are not subject to these provisions.

Under 31 U.S.C. 3702(a)(2), current or former federal civilian employees may file a claim with OPM disputing their compensation or leave. Such claims typically involve backpay, unpaid overtime, unused annual leave upon separation, or denied allowances. For example, if an overseas employee has reason to believe their request for living quarters allowance was inappropriately denied by the agency, the employee may file a claim with OPM. OPM is not granted policy exception authority over any provisions of implementing regulations or agency-specific regulations.

Under 5 U.S.C. 5583, an employing agency pays money due a deceased Federal employee to the beneficiary the employee designated, or, absent a designation, to the employee's widow or widower. This provision applies to unpaid compensation owed at the time of an employee's death, such as final salary or unused leave. See the definition of "money due" at 5 U.S.C. 5581(2). A designated beneficiary, or the widow or widower of the deceased employee, may file a claim with OPM if they have not been paid the money owed.

A third type of claim addressed by this rule are claims to receive accrued benefits due to a deceased veteran. See 38 U.S.C. 5121 and 5122. Potential claimants for these funds include the veteran's spouse, children, or dependent parents.

OPM developed an electronic filing (eFile) system to support existing regulatory provisions. That system will be used for all appeals and claims to allow for faster receipt

facilitating OPM's processing and review. To comply with this and inform the public, OPM must update its administrative claims regulations at 5 CFR part 178, subpart A, which provides the filing instructions.

With this rule, OPM updates the provisions concerning administrative claims submissions by removing the inaccurate information such as the OPM office name and mailing address. It also removes the request for a facsimile number. OPM is also revising the submission provision to require, with limited exception, use of OPM's eFile system for filing a claim. OPM is also requiring claims to include the employing agency name, the claimant's email address, and the "agency employee email address." This information will allow efficient review of claims and facilitate communication with the appropriate people. With the eFile system, it is important that OPM capture the claimant's email address on the claim submission.

Claims filed before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN FEDERAL REGISTER] will be processed under the requirements in effect on the date of submission or postmark. Any submissions on or after [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN FEDERAL REGISTER] must comply with the requirements of this part as amended by this rule. OPM notes that it currently accepts claims submitted by mail and email. Claims that are already in process will continue to be processed outside of the new eFile system.

Direct Final Rule Justification

This is a rule of agency organization, procedure, or practice and is therefore exempt from the prior public notice and comment requirements of the Administrative Procedure Act. 5 U.S.C. 553(b)(A). The rule prescribes the manner and format in which claims and supporting documents are submitted to OPM. It does not change who is eligible to file a claim, the substantive bases on which a claim may be brought, the applicable time limits for filing, the evidence required to establish a claim, or the standards OPM applies in adjudicating claims. Because the rule governs

the process for submitting matters to OPM rather than the substantive standards that determine their outcome, it does not alter the substantive rights or obligations of claimants.

OPM acknowledges that the rule changes the required method of filing by directing claimants to use OPM's eFile system in place of postal mail or electronic mail. To ensure that this procedural change does not impede any claimant's ability to file, the rule preserves an exemption process under which OPM may authorize an alternative method of filing for a party or representative who cannot reasonably file electronically. § 178.102(e)(2). The change in filing method therefore does not deprive any claimant of the ability to submit a claim or affect the substantive disposition of claims.

As an independent and alternative basis, OPM finds under 5 U.S.C. 553(b)(B) that notice and public comment are unnecessary and that good cause exists to proceed without prior notice and comment. The rule makes procedural and technical changes—correcting outdated office and contact information and directing filers to OPM's electronic filing system. OPM does not anticipate significant adverse comment but is issuing the rule as a direct final rule and will withdraw it and proceed by notice of proposed rulemaking if it receives significant adverse comment, as described below.

This rule will be effective [INSERT DATE 60DAYS AFTER PUBLICATION IN FEDERAL REGISTER], without further action unless significant adverse comments are received. A significant adverse comment is one that explains: (1) why the rule is inappropriate, including challenges to the rule’s underlying premise or approach; or (2) why the direct final rule will be ineffective or unacceptable without a change. If such comments are received, this direct final rule will be withdrawn and a proposed rule for comments will be published. If no such comments are received, this direct final rule will become effective 45 days after the comment period expires. In determining whether a significant adverse comment necessitates withdrawal of this direct final rule, OPM will consider whether the comment raises an issue serious enough to warrant a substantive response had it been submitted in a standard notice and comment process.

A comment recommending an addition to the rule will not be considered significant and adverse unless the comment explains how this direct final rule would be ineffective without the addition.

Expected Impact of This Direct Final Rule

OPM determined that this rule was needed to correct outdated information in the regulations and to allow for the use of modern technology in its interactions with Federal employees, former Federal employees, and survivors of deceased Federal employees who may experience a delay in processing times due to the current mail-in procedures. Claims are often delayed in the mailroom, misrouted to another organization, or wait to be scanned in for processing. Using an electronic filing system eliminates the possibility of misrouting and the need to scan in the claims.

This rule will allow OPM to leverage an electronic filing system, which will improve the efficiency of appeal and claim processing for claimants and OPM staff. Moving to the electronic filing system is a more secure and cost-effective way to receive claims and appeals, without the threat of losing sensitive information in the mail or having to be received and sorted in the mailroom. It also will expedite the processing of cases, allowing the adjudication of cases to be more timely. The level of confidentiality will not be compromised with compensation and leave cases because, like the process today, OPM reviews the claim first to comply with any claimant request for confidentiality prior to reaching out to the agency to inform the agency that a claim has been filed. It also reduces the risk of losing sensitive or personally identifiable information via U.S. mail. Sending the claims and all supporting documentation through the electronic filing system creates an automatic record, making it easier for OPM and claimants to track to make sure that all claims are being received and considered by OPM.

Regulatory Compliance

Regulatory Review

OPM has examined the impact of this rule as required by Executive Orders 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). The Office of Management and Budget (OMB) has determined that this rule is not a "significant regulatory action" under section 3(f) of Executive Order 12866. This rule is considered an Executive Order 14192 deregulatory action.

Regulatory Flexibility Act

The Director of OPM certifies that this rule will not have a significant economic impact on a substantial number of small entities because it is a non-substantive, procedural rule.

Federalism

This rule 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, the Director of OPM certifies that this direct final rule does not have federalism implications that require preparation of a Federalism Assessment.

Civil Justice Reform

This rulemaking meets the relevant standards of Executive Order 12988.

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.

Congressional Review Act

The Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs has determined this rule does not meet the criteria listed in 5 U.S.C. 804(2).

Paperwork Reduction Act

This regulatory action will change the reporting or recordkeeping requirements subject to the Paperwork Reduction Act of 1995, as amended (44 U.S.C. Chapter 35). OPM has created an e-filing system for use in collecting and maintaining adjudication records for a variety of different existing regulatory provisions. That system will be used to support the changes in this final rule. OPM has submitted a request for a new information collection to the Office of Management and Budget for the e-filing system. (see 91 FR 46802 (July 24, 2026)

After review of OPM's existing System of Records Notices (SORNs), OPM has determined that the following SORNs may apply to information stored in the e-filing system: OPM/GOVT-1, OPM/GOVT-9, OPM/CENTRAL-2, OPM/CENTRAL-5, and OPM/CENTRAL-9. OPM may disclose information outside the agency when such disclosure is compatible with the purpose for which the information was collected. The information collected through the e-filing system may be shared outside of OPM pursuant to the routine uses published in the following System of Records Notices: OPM/GOVT-1, General Personnel Records; OPM/GOVT-9, File on Position Classification Appeals, Job Grading Appeals, Retained Grade or Pay Appeals, and Fair Labor Standards Act (FLSA) Claims and Complaints; OPM/CENTRAL-2, Complaints and Inquiries Records; OPM/CENTRAL-5, Intergovernmental Personnel Act Assignment Records; and OPM/CENTRAL-9, OPM Suitability Adjudications Files. Principal routine uses include:

- To parties engaged in the adjudication or review of the matter, such as entities responsible for appeals, oversight, or administrative review.
- To individuals or organizations participating in fact finding or decision making, including witnesses, subject matter experts, consultants, or others assisting in resolving the matter.

- To oversight or compliance bodies responsible for reviewing program integrity, privacy compliance, or adherence to applicable laws, rules, or policies.
- To entities responsible for addressing potential violations of law, where the information indicates a possible breach of civil or criminal statutes.
- To courts or adjudicative bodies when the information is relevant to litigation or administrative proceedings.
- To contractors or service providers engaged by OPM to support system operations, case management, or other authorized functions, when access is necessary for them to perform their duties.
- To records management authorities responsible for ensuring proper maintenance, archiving, or disposition of Federal records.

Lists of Subjects in 5 CFR Part 178

Administrative practice and procedure, Claims, 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.

Office of Personnel Management.

Jerson Matias,

Federal Register Liaison.

For the reasons stated in the preamble, OPM amends 5 CFR Part 178, as follows:

PART 178—PROCEDURES FOR SETTLING CLAIMS

Subpart A-Administrative Claims-Compensation and Leave, Deceased Employees' Accounts and Proceeds of Canceled Checks for Veterans' Benefits Payable to Deceased Beneficiaries

1. The authority citation for subpart A of part 178 continues to read as follows:

Authority: 31 U.S.C. 3702; 5 U.S.C. 5583; 38 U.S.C. 5122; Pub. L. No. 104-53, 211, Nov. 19, 1995; E.O. 12107.

2. Amend § 178.102 by revising paragraphs (a), (b), and (e) to read as follows:

§ 178.102 Procedures for submitting claims.

(a) *Content of claims.* Except as provided in paragraph (b) of this section, a claim must be submitted by the claimant or the claimant's representative and must be signed (in a verifiable manner, e.g., wet or digital signature) by the claimant or by the claimant's representative. The request should describe the basis for the claim and state the amount sought. The claim should also include:

(1) The name, address, telephone number, and email address of the claimant;

(2) The name, address, telephone number, and email address of the agency employee who denied the claim;

(3) A copy of the denial of the claim; and

(4) Any other information which the claimant believes OPM should consider.

(b) *Agency submissions of claims.* At the discretion of the agency, the agency may submit the claim to OPM on the claimant's behalf. The claimant is responsible for ensuring that OPM receives all the information requested in paragraph (a) of this section.

* * * * *

(e) *Filing a claim*. An individual, or his or her authorized representative, seeking to file a claim under this part must use the electronic filing system available at

https://opmefile.opm.gov/hc/en-us. Absent an exemption under paragraph (e)(2) of this section, OPM will not accept the filing of a claim, evidence, or other supporting documents via electronic mail or postal mail.

(1) *Electronic filing (eFile) procedures*. (i) All parties and their representatives to a claim must register as instructed by OPM on its website using a unique email address.

(ii) Registration as an eFiler constitutes consent to accept electronic service of all documents, records, notices, decisions filed by the agency, claimant, or issued by OPM. No party may electronically file any document with OPM or access a claim unless registered as an eFiler.

(iii) All notices, decisions, and other documents issued by OPM, as well as all documents filed by parties, will be made available for viewing and downloading at OPM's electronic filing system. Access to documents is limited to the parties and their representatives who are registered eFilers in the cases in which they were filed.

(iv) All parties and their representatives must follow the instructions on OPM's website for properly filing all claims, evidence, and other documents. OPM may strike a document where an eFiler repeatedly fails to follow these instructions subsequent to a show cause order.

(v) Each eFiler must promptly update their profile in OPM's electronic filing system. The electronic filing system will alert OPM, and other parties of any change made to their address, telephone number, or email address in each pending case with which they are associated. eFilers are also responsible for monitoring case activity regularly in OPM's electronic filing system to ensure that they have received all case-related documents and updates.

(vi) A party or representative may withdraw their registration as an eFiler pursuant to the requirements posted on OPM's website. Withdrawing registration in OPM's electronic filing system means that, effective upon OPM's processing of a proper withdrawal, all filings, evidence, orders, and other documents filed by a party or party's representative and OPM will no longer be made available to that person electronically and that person will no longer have electronic access to their case records through OPM's electronic filing system. OPM may still

process a claim after a party or a party's representative withdraws as an eFiler. Withdrawal as a party or party's representative will not be considered good cause for staying a case.

(vii) Documents filed in OPM's electronic filing system are deemed received on the date of the electronic submission. The party submitting the claim or any documents will receive acknowledgement of receipt of the claim and submission of any documents to support the claim.

(2) OPM, in its sole and exclusive discretion, may exempt a party or representative from registering as an eFiler. A party or representative must promptly contact OPM as instructed on OPM's website to request an exemption from the eFiling requirements in this Part. OPM will not find good cause for failing to file a claim timely if the party or representative fails to contact OPM to request an exemption before any deadline to file.

(3) Submit FLSA claims as provided in subpart G of part 551 of this chapter.

[FR Doc. 2026-15589 Filed: 7/30/2026 8:45 am; Publication Date: 7/31/2026]