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## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 850

**RIN 3206–AL34**

## Retirement Systems Modernization

**AGENCY:** Office of Personnel Management.

**ACTION:** Final rule.

**SUMMARY:** The Office of Personnel Management (OPM) is issuing final regulations to authorize alternative provisions for processing retirement and health and life insurance applications, notices, elections, and records under the agency's Retirement Systems Modernization (RSM) initiative. These regulations authorize exceptions to certain regulatory provisions governing the processing of benefits under the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS), as well as the Federal Employees' Group Life Insurance (FEGLI), the Federal Employees Health Benefits (FEHB) and Retired Federal Employee Health Benefits (RFEHB) Programs.

**DATES:** The regulations are effective January 28, 2008.

**FOR FURTHER INFORMATION CONTACT:** James Giuseppe, (202) 606–0299.

**SUPPLEMENTARY INFORMATION:**

### Overview of Retirement Systems Modernization

On August 17, 2007, the Office of Personnel Management (OPM) published proposed regulations (72 FR 46178) to amend title 5, Code of Federal Regulations, by establishing a new part 850. The new part authorizes certain changes to current regulations governing the Civil Service Retirement System (CSRS), the Federal Employees' Retirement System (FERS), and the Federal Employees' Group Life Insurance (FEGLI), the Federal Employees Health Benefits (FEHB) and Retired Federal Employees Health Benefits (RFEHB) Programs. The changes are needed to implement the new retirement and insurance processing system created by OPM's Retirement Systems Modernization (RSM) initiative.

The 30-day comment period for the proposed regulations ended on September 17, 2007. OPM received comments from five Federal agencies, one labor organization, and one individual.

*General Comments*

Two comments stated that many individuals have only limited access to the Internet. These commenters expressed concern that RSM would require individuals to submit retirement applications, elections, and other forms electronically, and that OPM would not accept such submissions in paper form. We understand that when RSM is implemented, some individuals will continue to submit paper applications and forms because they will not have access to a computer or the Internet, or because they are unfamiliar with computers or are not confident of their ability to use a computer. As we stated in the supplementary information published with the proposed rule, the current paper-based system ''will continue to operate concurrently for some time with respect to at least some aspects of retirement and insurance processing for some individuals.'' Section 850.101(b) of the regulations states that the regulations authorize (but do not require) ''exceptions'' to the existing regulatory provisions. Section 850.201(a)(1) provides that applications and other submissions ''may instead'' be submitted in another form designated by the Director. This language pertaining to exceptions to established procedures is deliberately permissive, not mandatory. In other words, the current provisions of the regulations do nothing to preclude paper-based processes from continuing to function; therefore, applications and other submissions that are submitted in paper form will continue to be accepted under the relevant provisions of existing regulations outside of part 850. Part 850 merely allows electronic submissions to OPM in addition to paper submissions.

One commenter suggested that the regulations are being issued because ''the convenience of OPM is the priority'' rather than the needs of employees and retirees. In fact, the thrust of RSM is to afford greater convenience to Federal annuitants and employees contemplating retirement by improving OPM processes. RSM is a customer-focused initiative. RSM will also improve the quality and timeliness of services to individuals and will offer on-demand Web-based tools for employees to plan early for their retirement and for annuitants to make health and life insurance elections. We believe that RSM will improve both OPM business processes and services to our customers.

*Electronic Signatures*

Several comments were received on the electronic signature provisions of the regulations. Many of these comments indicate a misunderstanding of the provisions of proposed § 850.106. As discussed in the supplementary information published with the proposed rule, new § 850.106 will allow the electronic retirement and insurance processing system implemented by RSM to be compliant with the Government Paperwork Elimination Act (GPEA), Pub. L. 105–277, Title XVII, and OMB Memorandum M–00–10, 65 FR 25508 (May 2, 2000)—OMB's final procedures and guidance for implementing the GPEA. OMB Memorandum M–00–10 describes, using examples of currently known technology, a range of acceptable methods of effecting electronic signatures, and describes the requirements an agency is to follow before selecting an appropriate method of electronic signature for a particular transaction. We are going through the process of determining which method of electronic signature will be acceptable for the various transactions permitted under the electronic retirement and insurance processing system. The Director will issue an implementing directive under § 850.104 when methods of effecting electronic signatures are assessed and selected.

We are aware that whatever method of electronic signature is ultimately selected for a transaction, it must permit the authentication of individuals' identities using the electronic retirement and insurance processing system while ensuring the privacy of their transaction. We are also aware that the method selected must be a

technology that will be readily available and accessible to individuals using the system. Although a technology may offer high levels of authentication and privacy, it may not be widely available, affordable, or accessible, and would then be unsuitable for selection.

One commenter expressed concern that some of the electronic signature technologies described in the regulations could prevent users from readily accessing the electronic retirement and insurance processing system, or would inconvenience users who lack access to proper hardware or software. As stated above, we will select methods of effecting electronic signatures that offer the appropriate level of authentication and privacy and that will be widely available and user-friendly. In addition, employees, annuitants, survivors, and other individuals who file claims or make other submissions to OPM will still have the option of making their submissions using the paper-based processes under the existing rules.

Two comments addressed the issue of whether OPM would accept an electronic signature if it meets one of the ''acceptable methods'' listed under new § 850.106(c), or whether OPM will establish a ''standard method'' of electronic signature. This issue was discussed in the supplementary information published with the proposed rule. We must emphasize that none of the methods listed under § 850.106(c) has yet been approved by the Director, and no one method listed in § 850.106(c) is the only acceptable standard for effecting an electronic signature. Section 850.106(c) provides a list of electronic signature methods from which the Director may choose an acceptable method of an electronic signature for a particular transaction. The list is not exclusive; if a new technology is developed in the future and is found to be generally acceptable, the Director could decide to adopt that technology for certain transactions. As described in OMB Memorandum M–00–10, the selection of an electronic signature method is a transaction-based decision—an agency should select an appropriate method of effecting an electronic signature for each particular kind of transaction. For example, the Director could decide, based in part on the risks and costs involved, to select one method of electronic signature for retirement applications and a different method for a life insurance designation-of-beneficiary form. Alternatively, the Director might decide that one method of electronic signature is appropriate for a range of distinct but similar transactions, or that several methods are acceptable for a single type of transaction. The purpose of the regulation is to give the Director flexibility to choose acceptable methods of electronic signatures. The Director will issue an implementing directive when a method or methods of electronic signature is selected for transactions submitted to the electronic retirement and insurance processing system.

*Submission of the Retirement Application*

Two commenters expressed concern that § 850.201 of the proposed regulations indicated that an employee may submit her retirement application to OPM instead of the servicing agency, thus bypassing the servicing agency. The electronic retirement and insurance processing system will allow employees to initiate the retirement process directly; however, agencies and servicing agencies will receive notification that the employee has commenced the retirement process. Under new § 850.105, agencies will continue to be responsible for counseling individuals regarding rights and benefits under CSRS, FERS, FEGLI, FEHB, and RFEHB, and for performing all appropriate actions necessary to separate individuals for retirement.

*Subpart D—Submission of Law Enforcement, Firefighter, and Nuclear Materials Courier Retirement Coverage Notices*

Background

In the past, OPM made Civil Service Retirement System (CSRS) law enforcement officer and firefighter retirement coverage determinations. OPM used its authority over these retirement coverage determinations to ensure that the statutory requirements for coverage were appropriately applied and to monitor the costs of the program.

As part of its efforts to decentralize personnel functions and to place the decision-making responsibility in agencies that have the greatest interest in such determinations, OPM delegated Federal Employees' Retirement System (FERS) law enforcement officer and firefighter retirement coverage decision-making authority to agency heads with the inception of FERS in 1987. (See 52 FR 2068 (January 16, 1987) and 5 CFR part 842, subpart H.) Under this delegated authority, agencies ensure that the statutory requirements for FERS law enforcement officer or firefighter coverage are met. In addition, this delegation was considered appropriate given the cost structure of FERS. FERS retirement benefit costs are fully funded by employee and agency contributions. Because the full cost of FERS retirement benefits is paid for by employee and agency contributions, with the primary financial burden on the agency, the agency must account for the costs of law enforcement officer and firefighter benefits. CSRS law enforcement officer and firefighter coverage decision-making authority was extended to agencies in 1993. Specifically, OPM delegated CSRS law enforcement officer and firefighter decision-making authority to agency heads in interim regulations issued on December 7, 1993. (See 58 FR 64367 (December 7, 1993); 5 CFR part 831, subpart I.) The authority over nuclear materials courier retirement coverage decisions was delegated to the Secretary of Energy when enhanced retirement benefits were extended to nuclear materials couriers. (See 65 FR 2521 (January 18, 2000); 5 CFR part 831, subpart H, and 5 CFR part 842, subpart I.)

Under the existing regulations, OPM retains oversight authority to review agency head approvals of law enforcement officer, firefighter, and nuclear materials courier decisions. When we issued the FERS final rules for law enforcement officers, firefighters and air traffic controllers, we explained the reason for OPM oversight: ''OPM's oversight role is an inherent part of its underlying statutory authority to make these determinations and its continuing responsibility to determine whether continued delegation of this authority is appropriate'' (57 FR 32687).

In the years since we delegated law enforcement officer and firefighter decision-making authority to agencies, there have been occasional problems with agency compliance with the recordkeeping and notice provisions of the oversight regulations. Each agency is required by regulation to maintain records of law enforcement and firefighter retirement coverage approvals made by the agency head, and must send a notice to OPM whenever a position is approved for law enforcement and firefighter retirement coverage. On one occasion, an agency requested that we provide copies of all law enforcement notices that the agency had sent to OPM since 1987 because the agency could not locate its records. Recently, OPM noticed that an agency had submitted a notice of law enforcement officer coverage for a position that had been established more than 22 years before. When OPM asked for clarification of the approval under its oversight authority, the agency responded that it had neglected to approve or send OPM the required notice for the position because agency staff ''did not realize that LEO approval

was necessary.'' Occasionally, OPM has had to exercise oversight by reviewing an agency law enforcement officer or firefighter retirement coverage decision, or by intervening in an appeal to the U.S. Merit Systems Protection Board of an agency law enforcement officer or firefighter retirement coverage decision.

In addition, under current procedures, when an employee who has law enforcement officer or firefighter service applies for retirement, the agency must send a letter containing information on the employee's law enforcement officer or firefighter service history to OPM with the employee's retirement application. OPM uses this letter and other information to determine whether the employee is eligible for law enforcement officer or firefighter retirement and an enhanced annuity computation. Under this procedure, if an agency has erroneously allowed law enforcement officer or firefighter retirement coverage or service credit, the error may not be discovered until OPM receives the employee's retirement application and determines that the employee is not entitled to retire under the law enforcement officer or firefighter retirement provisions, or determines that the employee has insufficient law enforcement officer or firefighter service for the higher law enforcement officer or firefighter annuity computation. These errors may result in an erroneous separation, and, thus, may be costly to an agency and traumatic for an employee.

The new electronic retirement and insurance processing system will provide employees, annuitants, and survivors with access to their retirement and insurance information in a manner that was not previously available to them. Data elements will now be available on a pay-period or daily basis rather than an annual basis. Web-based tools will be available on demand for Federal employees to plan early for retirement.

Obviously, the electronic retirement and insurance processing system must have information that is not only timely but also accurate so that users of the system can make retirement, health benefits, and life insurance decisions appropriate to their individual situations. Employees with law enforcement officer, firefighter, or nuclear materials courier service must be able to accurately determine the status of their law enforcement officer, firefighter, or nuclear materials courier retirement coverage and service credit at any time, so that they can make informed retirement decisions. Therefore, the electronic retirement and insurance processing system must have sufficient information to automatically determine the status of an employee's law enforcement officer, firefighter, or nuclear materials courier coverage and the amount of such service the employee has performed.

Comments on Subpart D

After the proposed rule was published, OPM sent a request for comments on subpart D to agencies and shared service centers. Four comments from agencies addressed subpart D of the regulation. One comment stated that the proposed rule provided insufficient information concerning how agency notices to OPM of agency law enforcement officer, firefighter, and nuclear materials courier retirement coverage decisions could be provided electronically, and what information OPM would require. Another comment stated that subpart D does not provide enough information to estimate the changes agencies will have to make to submit notices through the Enterprise Human Resources Integration (EHRI). This comment also suggested that it might be more appropriate to scan the requested documents into the Electronic Official Personnel Record Folder (e-OPF) rather than submit them through EHRI.

We anticipated that, under subpart D, the submission of notices and background files through EHRI would not be difficult. In general, based on the volume of notices we have received in the past, agencies do not submit a large number of law enforcement officer, firefighter, and nuclear materials courier notices. Based on our experience, we anticipated that the electronic submission of notices would require only periodic transmission of data, and would not be as demanding as the transmission of pay period data required by the regular EHRI feed. Further, using the e-OPF to store the required data would present new problems because the e-OPF data would be difficult to integrate into RSM systems and new system applications would be required to extract the data from the e-OPF.

However, as a result of the comments we received, we have decided to change subpart D to eliminate the requirement that agencies submit notices of law enforcement officer, firefighter, or nuclear materials courier retirement coverage approvals electronically through EHRI to the RSM processing system. We have decided that we will begin to gather agency notices of law enforcement officer, firefighter, or nuclear materials courier retirement coverage approvals and associated background files in an electronic form, through a more straightforward process. At some point in the future, we intend to transition to the electronic submission of these notices and associated background files through EHRI. In the meantime, we will require that the information described in subpart D be submitted, but we are changing the regulations to permit the Director to issue implementing directives concerning the process for submitting the information. We expect that these implementing directives will allow the agencies to continue to submit notices in paper form, but will require that a spreadsheet containing the required notice data elements be e-mailed to OPM along with a file containing scans of the background documents.

Another commenter stated that the agency did not store a position description number, which was requested in the proposed rule, for its law enforcement and firefighter positions; instead, the agency stores an ''Individual Position and Master Record number.'' The requirement is that agencies submit a position description number, *or some other unique identifying number.* An ''Individual Position and Master Record number'' would constitute such a unique identifying number, and thus would suffice for the positions contained in the notice. We require this number to enable us to identify particular position approvals. This identifier is also required in the EHRI recurring pay period data feeds to RSM. Accordingly, we are not revising this requirement.

A comment from another agency stated that it did not ''list position description numbers, only places of employment and whether the position is [a law enforcement officer] or [non-law enforcement officer] position.'' Presumably, this comment refers to employees of the agency who fall within the definition of ''law enforcement officer'' under 5 U.S.C. § 8331(20) or 5 U.S.C. 8401(17)(D) because their duties require frequent and direct contact with individuals in detention suspected or convicted of offenses against the criminal laws of the United States, or other laws. Law enforcement officer retirement coverage for such individuals is not strictly based on the position the individual occupies; rather it is based on the individual's frequent and direct contact with detainees.

We are aware of the retirement coverage issues related to correctional officers and prison support staff. However, the fact that a position is located in a prison and meets the statutory requirements for law enforcement officer retirement coverage should not prevent the agency from

assigning a position description number to a position description. In addition, the agency that submitted this comment has provided position description numbers for detention positions to us in its written notices for many years.

*Comments Beyond the Scope of the Regulations*

A number of comments we received addressed issues concerning the RSM design process, the implementation of RSM processes, the process of bringing an agency and its employees within RSM, and other issues that are operational in nature and, therefore, are beyond the scope of the regulations. We have not addressed those comments but rather have submitted them to OPM's Managing Director for Retirement Systems Modernization for his consideration. The following is a list of some of the comments that, although important, are beyond the scope of these regulations:

- One union expressed disappointment concerning the perceived lack of involvement of OPM employees in developing RSM.
- One commenter questioned what quality control measures exist to insure data quality and accuracy, and what measures for records destruction are in place.
- Two commenters asked what redundancy OPM will have in place in the event of disaster, and whether OPM will back up data.
- One agency expressed concern over the number of historical data elements required by RSM.
- One commenter asked how RSM would accommodate disability retirement applications, how agencies would certify service records, and whether an employee's current health benefits and life insurance benefits history would be transferred to the new system.
- One commenter expressed concern that the RSM implementation schedule and the February 2008 RSM rollout date are too ambitious and that OPM is not providing much time to agencies to prepare for implementation.

Again, these issues are beyond the scope of the regulations and have been referred to OPM's Managing Director for Retirement Systems Modernization.

*Definition of ''Agency'' and Other Editorial Changes*

We have made an editorial change in § 850.302 to clarify the reference to a department or agency and added a definition of ''agency'' in § 850.103. We have also corrected a typographical error in § 850.202(b)(2) by correcting the reference to § 841.610(b)(1) to § 842.610(b)(1).

**E.O. 12866, Regulatory Review**

The Office of Management and Budget has reviewed this rule in accordance with Executive Order 12866.

**Regulatory Flexibility Act**

I certify that this regulation will not have a significant economic impact on a substantial number of small entities because the regulation will affect only Federal employees, former Federal employees, Members of Congress, annuitants, survivors, and applicants under the Civil Service Retirement System and the Federal Employees' Retirement System whose retirement and insurance records are maintained by the new retirement processing system created by OPM's Retirement Systems Modernization initiative.

**Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35)**

Information collection(s) as defined by the Paperwork Reduction Act and associated with this rule will not be effective until approved by OMB. The information collection(s) will include the processes and information collected from Federal retirees and their survivors described in this rule. A separate Federal Register Notice that details the information collection(s) will be posted for public comment at a later date.

**List of Subjects in 5 CFR Part 850**

Administrative practice and procedure, Air traffic controllers, Alimony, Claims, Disability benefits, Firefighters, Government employees, Income taxes, Intergovernmental relations, Law enforcement officers, Pensions, Reporting and recordkeeping requirements, Retirement.

Office of Office of Personnel Management.

**Linda M. Springer,**

*Director.*

■ Accordingly, 5 CFR part 850 is added to read as follows:

## PART 850—RETIREMENT SYSTEMS MODERNIZATION

**Subpart A—General Provisions**

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850.101 Purpose and scope.
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**Subpart B—Applications for Benefits; Elections**

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850.303 Return of personal documents.

**Subpart D—Submission of Law Enforcement, Firefighter, and Nuclear Materials Courier Retirement Coverage Notices**

850.401 Electronic notice of coverage determination.

**Authority:** 5 U.S.C. 8347; 5 U.S.C. 8461; 5 U.S.C. 8716; 5 U.S.C. 8913; section 9 of Pub. L. 86–724, 74 Stat. 849, 851–52 (September 8, 1960) as amended by section 102 of Reorganization Plan No. 2 of 1978, 92 Stat. 3781, 3783 (February 23, 1978).

### Subpart A—General Provisions

**§ 850.101 Purpose and scope.**

(a) The purpose of this part is to enable changes needed for implementation of the new retirement and insurance processing system created by the Office of Personnel Management's (OPM's) Retirement Systems Modernization (RSM) initiative. RSM is OPM's strategic initiative to improve the quality and timeliness of services to employees and annuitants covered by the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS) by using contemporary, automated business processes and supporting technology. The RSM initiative is designed to transform the retirement process, as well as the processing of annuitant insurance elections of Federal Employees' Group Life Insurance (FEGLI), Federal Employees Health Benefits Program (FEHB), and Retired Federal Employees Health Benefits Program (RFEHB) coverage, by employing more efficient and effective business systems to respond to increased customer demand for higher levels of customer service and online self-service tools.

(b) The provisions of this part authorize exceptions from regulatory provisions that would otherwise apply to CSRS and FERS annuities and FEGLI, FEHB and RFEHB benefits processed by or at the direction of OPM under the RSM initiative. Those regulatory provisions that would otherwise apply were established for a paper-based retirement and insurance benefits processing system that may eventually be phased out but which will continue to operate concurrently with RSM for some time, until RSM is fully implemented. During the phased transition to RSM processing, certain regulations that were not designed with RSM in mind, and which are incompatible with RSM business

processes, must be set aside with respect to aspects of retirement and insurance processing accomplished under RSM. The regulations set forth in this part make the transition to RSM processes possible.

(c) The provisions of this part do not affect retirement and insurance eligibility and annuity computation provisions. The provisions for capturing retirement and insurance data in an electronic format, however, may support, in some instances, more precise calculations of annuity and insurance benefits than were possible using paper records.

**§ 850.102 Applicability.**

(a) The provisions of parts 831, 835, 837 through 839, 841 through 847, 870, 890, and 891 of this chapter remain in effect, as applicable, except to the extent that they are inconsistent with one or more provisions of this part or implementing directives prescribed by the Director under § 850.104.

(b) The provisions of this part do not supersede or alter any functions performed by a private insurance company or carrier with which OPM has entered into a contract, or with which OPM may enter into a contract in the future, under chapter 87 or 89 of title 5, United States Code, or under any other provision of law or regulation.

**§ 850.103 Definitions.**

In this part—

*Agency* means an Executive agency as defined in section 105 of title 5, United States Code; a legislative branch agency; a judicial branch agency; the U.S. Postal Service; the Postal Regulatory Commission; and the District of Columbia government.

*Biometrics* refers to the technology that converts a unique characteristic of an individual into a digital form, which is then interpreted by a computer and compared with a digital exemplar copy of the characteristic stored in the computer. Among the unique characteristics of an individual that can be converted into a digital form are voice patterns, fingerprints, and the blood vessel patterns present on the retina of one or both eyes.

*Cryptographic control method* means an approach to authenticating identity or the authenticity of an electronic document through the use of a cipher (i.e., a pair of algorithms) which performs encryption and decryption.

*CSRS* means the Civil Service Retirement System established under subchapter III of chapter 83 of title 5, United States Code.

*Digital signature* is an electronic signature generated by means of an algorithm that ensures that the identity of the signatory and the integrity of the data can be verified. A value, referred to as the ''private key,'' is generated to produce the signature, and another value, known as the ''public key,'' which is linked to, but not the same as, the private key, is used to verify the signature.

*Digitized signature* means a graphical image of a handwritten signature, usually created using a special computer input device, such as a digital pen and pad, which contains unique biometric data associated with the creation of each stroke of the signature, such as duration of stroke or pen pressure. A digitized signature can be verified by a comparison with the characteristics and biometric data of a known or exemplar signature image.

*Director* means the Director of the Office of Personnel Management.

*Electronic communication* refers to any information conveyed through electronic means and includes electronic forms, applications, elections, and requests submitted by email or any other electronic message.

*Electronic Official Personnel Record Folder (e-OPF)* means the electronic Official Personnel Folder application that will replace the current paper personnel folder across the Government.

*Electronic retirement and insurance processing system* means the new retirement and insurance processing system created by OPM's Retirement Systems Modernization (RSM) initiative.

*Employee* means an individual, other than a Member of Congress, who is covered by CSRS or FERS.

*Enterprise Human Resources Integration (EHRI)* means the comprehensive electronic personnel record-keeping and analysis system that supports human resources management across the Federal Government.

*FEGLI* means the Federal Employees' Group Life Insurance Program established under chapter 87 of title 5, United States Code.

*FEHB* means the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

*FERS* means the Federal Employees' Retirement System established under chapter 84 of title 5, United States Code.

*Member* means a Member of Congress as defined by section 2106 of title 5, United States Code, who is covered by CSRS or FERS.

*Non-cryptographic method* is an approach to authenticating identity that relies solely on an identification and authentication mechanism that must be linked to a specific software platform for each application.

*Personal identification number (PIN)* or *password* means a non-cryptographic method of authenticating the identity of a user of an electronic application, involving the use of an identifier known only to the user and to the electronic system, which checks the identifier against data in a database to authenticate the user's identity.

*Public/private key (asymmetric) cryptography* is a method of creating a unique mark, known as a digital signature, on an electronic document or file. This method involves the use of two computer-generated, mathematically-linked keys: a private signing key that is kept private and a public validation key that is available to the public.

*RFEHB* means the Retired Federal Employees Health Benefits Program established under Pub. L. 86–724, 74 Stat. 849, 851–52 (September 8, 1960), as amended.

*Shared service centers* are processing centers delivering a broad array of administrative services to multiple agencies.

*Shared symmetric key cryptography* means a method of authentication in which a single key is used to sign and verify an electronic document. The single key (also known as a ''private key'') is known only by the user and the recipient or recipients of the electronic document.

*Smart card* means a plastic card, typically the size of a credit card, containing an embedded integrated circuit or ''chip'' that can generate, store, or process data. A smart card can be used to facilitate various authentication technologies that may be embedded on the same card.

**§ 850.104 Implementing directives.**

The Director must prescribe, in the form he or she deems appropriate, such detailed procedures as the Director determines to be necessary to carry out the purpose of this part.

**§ 850.105 Agency responsibility.**

Agencies employing individuals whose retirement records or processing are affected by this part are responsible for counseling those individuals regarding their rights and benefits under CSRS, FERS, FEGLI, FEHB, or RFEHB.

**§ 850.106 Electronic signatures.**

(a) Subject to any provisions prescribed by the Director under § 850.104—

(1) An electronic communication may be deemed to satisfy any statutory or regulatory requirement under CSRS,

FERS, FEGLI, FEHB or RFEHB for a written election, notice, application, consent, request, or specific form format;

(2) An electronic signature of an electronic communication may be deemed to satisfy any statutory or regulatory requirement under CSRS, FERS, FEGLI, FEHB or RFEHB that an individual submit a signed writing to OPM;

(3) An electronic signature of a witness to an electronic signature may be deemed to satisfy any statutory or regulatory requirement under CSRS, FERS, FEGLI, FEHB or RFEHB for a signature to be witnessed; and

(4) Any statutory or regulatory requirement under CSRS, FERS, FEGLI, FEHB or RFEHB that a signature be notarized may be satisfied if the electronic signature of the person authorized to sign is attached to or logically associated with all other information and records required to be included by the applicable statute or regulation.

(b) For purposes of this section, an electronic signature is a method of signing an electronic communication, including an application, claim, or notice, designation of beneficiary, or assignment that—

(1) Identifies and authenticates a particular person as the source of the electronic communication; and

(2) Indicates such person's approval of the information contained in the electronic communication.

(c) The Director will issue directives under § 850.104 that identify the acceptable methods of effecting electronic signatures for particular purposes under this part. Acceptable methods of creating an electronic signature may include—

(1) Non-cryptographic methods, including—

(i) Personal Identification Number (PIN) or password;

(ii) Smart card;

(iii) Digitized signature; or

(iv) Biometrics, such as fingerprints, retinal patterns, and voice recognition;

(2) Cryptographic control methods, including—

(i) Shared symmetric key cryptography;

(ii) Public/private key (asymmetric) cryptography, also known as digital signatures;

(3) Any combination of methods described in paragraphs (c)(1) and (c)(2) of this section; or

(4) Such other means as the Director may find appropriate.

## Subpart B—Applications for Benefits; Elections

### § 850.201 Applications for benefits.

(a)(1) Applications and related submissions that otherwise would be required by this chapter to be made in writing may instead be submitted in such form as the Director prescribes under § 850.104.

(2) Subject to any directives prescribed by the Director under § 850.104, applications and related submissions that are otherwise required to be made to an individual's employing agency (other than by statute) may instead be submitted to the electronic retirement and insurance processing system or to OPM.

(b) Data provided under subpart C of this part are the basis for adjudicating claims for CSRS and FERS retirement benefits, and will support the administration of FEGLI, FEHB and RFEHB coverage for annuitants, under this part.

(c) For the purposes of this subpart, ''OPM notice'' means the notice informing the retiree or other individual of the annuity computation rate and of the elections made by the retiree or other such individual eligible to make such an election and informing him or her of the time limit under § 850.202 or 850.203 for any election, revocation or change of election.

### § 850.202 Survivor elections.

(a) A survivor election under subsection (j) or (k) of section 8339, or under section 8416, 8417, or 8420 of title 5, United States Code, which is otherwise required to be in writing may be effected in such form as the Director prescribes under § 850.104.

(b)(1) Except as provided in §§ 831.622(b)(1), 831.631, 831.632, 842.610(b)(1), 842.611, and 842.612 of this chapter, an individual making a survivor election at the time of retirement may not revoke or change that election later than 35 days after the date of the OPM notice to the individual of the amount of annuity to which he or she is entitled.

(2) A retiree may change a survivor election under § 831.622(b)(1) or § 842.610(b)(1) of this chapter no later than 18 months after the commencing date of the annuity to which he or she is entitled.

### § 850.203 Other elections.

(a) Any other election may be effected in such form as the Director prescribes under § 850.104. Such elections include but are not limited to—

(1) Elections of coverage under CSRS, FERS, FEGLI, FEHB or RFEHB by individuals entitled to elect such coverage;

(2) Applications for service credit and applications to make deposit; and

(3) Elections regarding the withholding of State income tax from annuity payments.

(b) Any election, which, if it were not processed under this part, would have a deadline described in reference to the first regular monthly payment or the date of final adjudication, may not be made later than 35 days after the date of the OPM notice to the individual concerned of the amount of annuity to which he or she is entitled.

## Subpart C—Records

### § 850.301 Electronic records; other acceptable records.

(a) Acceptable electronic records for processing by the electronic retirement and insurance processing system include—

(1) Electronic employee data submitted by an agency or other entity through EHRI and stored within the new retirement and insurance processing system;

(2) Electronic Official Personnel Folder (e-OPF) data; and

(3) Documents, including hardcopy versions of the Individual Retirement Record (SF 2806 or SF 3100), or data obtained from such documents, that are converted to an electronic or digital form by means of image scanning or other forms of electronic or digital conversion.

(b) Documents that are not converted to an electronic or digital form will continue to be acceptable records for processing by the retirement and insurance processing system.

(c) OPM is required to retain documents after they have been converted to electronic records in accordance with title 44, United States Code.

### § 850.302 Record maintenance.

(a) The retirement and insurance processing system does not affect the responsibilities of an agency with respect to employees or Members of Congress subject to subchapter III of chapter 83 or chapter 84 of title 5, United States Code, for the initiation and maintenance of records, evidence, or other information described in this title.

(b) Agencies are responsible for correcting errors in data provided to OPM under § 850.301.

### § 850.303 Return of personal documents.

An individual who submits personal documents to OPM in support of a claim for retirement or insurance benefits may

have such documents returned to the individual if he or she requests the return of the documents when submitting the documents. If OPM receives a request for return of such documents at a later time, OPM may provide the individual with a copy of the document that is derived from electronic records.

### Subpart D—Submission of Law Enforcement, Firefighter, and Nuclear Materials Courier Retirement Coverage Notices

#### § 850.401 Electronic notice of coverage determination.

(a) An agency or other entity that submits electronic employee records directly or through a shared service center to the electronic retirement and insurance processing system must include in the notice of law enforcement officer, firefighter, or nuclear materials retirement coverage, required by § 831.811(a), 831.911(a), 842.808(a), or 842.910(a) of this chapter, the position description number, or other unique alphanumeric identifier, of the position for which law enforcement officer, firefighter, or nuclear materials courier retirement coverage has been approved.

(b) The Director will issue directives under § 850.104 that identify the acceptable methods for an agency or other entity to submit to OPM electronic files of both the notice required by § 831.811(a), 831.911(a), 842.808(a), or 842.910(a) of this chapter, and the coverage determination files and background material required under § 831.811(b), 831.911(b), 842.808(b), or 842.910(b) of this chapter, associated with the positions included in the notice.

[FR Doc. E7–25153 Filed 12–27–07; 8:45 am]

BILLING CODE 6325–38–P

## NUCLEAR REGULATORY COMMISSION

### 10 CFR Part 72

### Licensing Requirements for the Independent Storage of Spent Nuclear Fuel, High-Level Radioactive Waste, and Reactor-Related Greater Than Class C Waste

*CFR Correction*

In Title 10 of the Code of Federal Regulations, Parts 51 to 199, revised as of January 1, 2007, on page 395, in § 72.214, Certificate of Compliance 1005 is reinstated to read as follows:

#### § 72.214 List of approved spent fuel storage casks.

* * * * *

Certificate Number: 1005
SAR Submitted by: Transnuclear, Inc.
SAR Title: TN-24 Dry Storage Cask Topical Report.
Docket Number: 72-1005.
Certification Expiration Date: November 4, 2013.
Model Number: TN-24.

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[FR Doc. 07–55524 Filed 12–27–07; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

### 14 CFR Part 11

### General Rulemaking Procedures

*CFR Correction*

In Title 14 of the Code of Federal Regulations, Parts 1 to 59, revised as of January 1, 2007, on page 27, reinstate § 11.71 to read as follows:

#### § 11.71 What information must I include in my petition for rulemaking?

(a) You must include the following information in your petition for rulemaking:

(1) Your name and mailing address and, if you wish, other contact information such as a fax number, telephone number, or e-mail address.

(2) An explanation of your proposed action and its purpose.

(3) The language you propose for a new or amended rule, or the language you would remove from a current rule.

(4) An explanation of why your proposed action would be in the public interest.

(5) Information and arguments that support your proposed action, including relevant technical and scientific data available to you.

(6) Any specific facts or circumstances that support or demonstrate the need for the action you propose.

(b) In the process of considering your petition, we may ask that you provide information or data available to you about the following:

(1) The costs and benefits of your proposed action to society in general, and identifiable groups within society in particular.

(2) The regulatory burden of your proposed action on small businesses, small organizations, small governmental jurisdictions, and Indian tribes.

(3) The recordkeeping and reporting burdens of your proposed action and whom the burdens would affect.

(4) The effect of your proposed action on the quality of the natural and social environments.

[FR Doc. 07–55525 Filed 12–27–07; 8:45 am]

BILLING CODE 1505–01–D

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

### 14 CFR Parts 21 and 27

**[Docket No. SW017; Special Condition No. 27–017–SC]**

### Special Condition: Bell Helicopter Textron Canada Limited Model 429 Helicopters, High Intensity Radiated Fields

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final special condition; request for comments.

**SUMMARY:** This special condition is issued for the Bell Helicopter Model 429 helicopters. These helicopters will have novel or unusual design features associated with installing electrical and electronic systems that perform critical functions, including an Electronic Flight Instrument System (EFIS) and a Full Authority Digital Engine Control (FADEC). The applicable airworthiness regulations do not contain adequate or appropriate safety standards to protect systems that perform critical control functions, or provide critical displays, from the effects of high-intensity radiated fields (HIRF). This special condition contains the additional safety standards that the Administrator considers necessary to ensure that critical functions of systems will be maintained when exposed to HIRF.

**DATES:** The effective date of this special condition is December 11, 2007. Comments must be received on or before February 11, 2008.

**ADDRESSES:** Send comments on this special condition in duplicate to: Federal Aviation Administration, Rotorcraft Directorate, Attention: Rules Docket (ASW–111) Docket No. SW017, Fort Worth, Texas 76193–0111, or deliver them in duplicate to the Rotorcraft Directorate at 2601 Meacham Blvd., Fort Worth, Texas 76137. Comments must be marked: Docket No. SW017. You may inspect comments in the Docket that is maintained in Room 448 in the Rotorcraft Directorate offices at 2601 Meacham Blvd., Fort Worth, Texas, on weekdays, except Federal holidays, between 8:30 a.m. and 4 p.m.

**FOR FURTHER INFORMATION CONTACT:** Carroll Wright, Electrical Flight Systems