

which would assist the veteran in making a well-informed decision. Additionally, the standard 30-day due process period required before implementing an adverse action can, in certain circumstances, result in unintended consequences that may cause undue hardship for the veteran. For example, if a veteran wants to use another VA benefit program while their Chapter 31 case is open, they would be prevented from doing so because it would result in duplication of benefits. The proposed revision would allow VR&E to take immediate action at the request of the veteran to forgo, suspend, reduce, or terminate benefits and services under the Chapter 31 program.

Current § 21.420(d) provides that VR&E does not need to provide advance notification if an adverse action “arises as a consequence of a change in training time or other such alteration in circumstances.” In addition to cases in which a veteran requests to forgo, suspend, reduce, or terminate benefits, we would clarify that advance notification is also not needed for cases involving a dependent reporting error, a veteran’s death, or other unexpected circumstance causing a change to a veteran’s payment. VR&E would ensure the accuracy of the relevant information in these other cases and that any administrative update takes place quickly to ensure that no overpayment or no significant overpayment is created that would cause an undue burden on the veteran.

#### **Executive Orders 12866, 13563, and 14192**

VA examined the impact of this rulemaking as required by Executive Orders 12866 (Sept. 30, 1993) and 13563 (Jan. 18, 2011), 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. The Office of Information and Regulatory Affairs has determined that this rulemaking is not a significant regulatory action under Executive Order 12866, as supplemented by Executive Order 13563.

*Economic Impact:* This proposed rule, once finalized, is expected to be a deregulatory action under Executive Order 14192. The proposed amendment to 38 CFR 21.420 would clarify that VA is not required to provide prior notification of adverse action when a veteran voluntarily requests to forgo, suspend, reduce, or terminate their Chapter 31 benefits under the VR&E program. This change reduces administrative burden and processing delays by eliminating unnecessary

procedural requirements in cases where the veteran has initiated the action. It enhances program efficiency and responsiveness by allowing VA to act immediately on a veteran’s informed decision, thereby avoiding potential duplication of benefits, and minimizing the risk of overpayments.

#### **Regulatory Flexibility Act**

The Secretary hereby certifies that this proposed rule would not have a significant economic impact on a substantial number of small entities as defined in the Regulatory Flexibility Act (5 U.S.C. 601–612). This proposed rule would only affect individuals who request to forgo, suspend, reduce, or terminate their VR&E benefits or services and would not have any impact on small entities. Therefore, under 5 U.S.C. 605(b), the initial and final regulatory flexibility analysis requirements of 5 U.S.C. 603 and 604 do not apply.

#### **Unfunded Mandates**

This proposed rule would not result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of \$100 million or more (adjusted annually for inflation) in any one year.

#### **Paperwork Reduction Act**

This proposed rule contains no provisions constituting a collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521).

#### **List of Subjects in 38 CFR Part 21**

Administrative practice and procedure, Armed forces, Civil rights, Claims, Colleges and universities, Conflict of interests, Education, Employment, Grant programs—education, Grant programs—veterans, Health care, Loan programs—education, Loan programs—veterans, Manpower training programs, Reporting and recordkeeping requirements, Schools, Travel and transportation expenses, Veterans, Vocational education, Vocational rehabilitation.

#### **Signing Authority**

Douglas A. Collins, Secretary of Veterans Affairs, approved this document on May 28, 2026, and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication

electronically as an official document of the Department of Veterans Affairs.

#### **Gabriela DeCuir,**

*Alternate Federal Register Liaison Officer,  
Department of Veterans Affairs.*

For the reasons stated in the preamble, the Department of Veterans Affairs proposes to amend 38 CFR part 21 as set forth below:

### **PART 21—VETERAN READINESS AND EMPLOYMENT AND EDUCATION**

#### **Subpart A—Veteran Readiness and Employment**

■ 1. The authority citation for part 21, subpart A continues to read as follows:

**Authority:** 38 U.S.C. 501(a), chs. 18, 31, and as noted in specific sections.

■ 2. Amend § 21.420 by revising the introductory text of paragraph (a) and the introductory text of paragraph (d) to read as follows:

#### **§ 21.420 Informing the veteran.**

(a) *General.* VA will inform a veteran in writing of decisions and findings affecting receipt of benefits and services under Chapter 31. This includes veterans:

\* \* \* \* \*

(d) *Prior notification of adverse action.* Except in cases of: a veteran’s request to forgo, suspend, reduce, or terminate benefits; needing to correct or update information regarding a veteran’s dependents; a veteran’s death; or other unexpected circumstance causing a change to a veteran’s payment, VA shall provide the veteran at least 30 days to review any proposed adverse action before it is implemented. Exceptions to the prior notification requirement will allow prompt adjustment of awards and prevent the creation of debts. During the 30-day period, the veteran shall be given the opportunity to:

\* \* \* \* \*

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**BILLING CODE 8320–01–P**

### **POSTAL REGULATORY COMMISSION**

#### **39 CFR part 3050**

[Docket No. RM2026–6; Order No. 9592]

#### **Periodic Reporting**

**AGENCY:** Postal Regulatory Commission.  
**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Commission is acknowledging a recent Postal Service filing requesting the Commission initiate a rulemaking proceeding to consider changes to analytical

principles relating to periodic reports. This document informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* July 27, 2026; *Reply Comments are due:* August 3, 2026.

**ADDRESSES:** Submit comments electronically via the Commission’s Filing Online system at <https://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202-789-6820.

**SUPPLEMENTARY INFORMATION:**

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- I. Introduction
- II. Proposal
- III. Notice and Comment
- IV. Ordering Paragraphs

**I. Introduction**

On May 28, 2026, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate a rulemaking proceeding to consider a proposed change to analytical principles relating to the Postal Service’s periodic reports.<sup>1</sup> The

Petition identifies the proposed analytical principles change filed in this docket as updates and refinements to the reporting of window service costs. Petition, Proposal at 3. Specifically, the Postal Service seeks to overhaul the existing methodology to correct identified mathematical and econometric errors and to reflect changes in window service volumes and operations. *Id.*

**II. Proposal**

*Background.* The Postal Service states that the existing methodology for reporting window service costs was established in Docket No. R90-1 and refined in Docket Nos. R97-1 and R2006-1. *Id.* The Postal Service notes that there have been significant changes in window service volume and operations since the established methodology was last updated. *Id.* The Postal Service also identifies errors in the established methodology that, when corrected, contradict existing “assumptions that both network time and waiting time were one hundred percent variable with visit time during the late 1980s.” *Id.* The Postal Service additionally identifies data limitations underpinning the established methodology that can be ameliorated by using modern data captured using its

Retail Systems Software (RSS) point-of-sale system. *Id.* at 4.

*Proposal.* The Postal Service proposes correcting, updating, and/or refining four of the five variabilities that go into calculating volume variable window service costs. *Id.* at 5. Visit time variability is proposed to be updated using RSS data, the application of Stochastic Frontier Analysis (SFA) to account for non-item time, and a revised method for directly estimating the response in visits to changes in window service volumes. *Id.* at 5-9. Network variability is proposed to be updated by correcting a mistaken formula in the established methodology and making improvements to comport with current Commission standards. *Id.* at 9-10. Waiting time variability is proposed to be updated to adjust assumptions in the established methodology and to account for the decline in window service volume. *Id.* at 10-14. Non-acceptance variability is proposed to be updated to correct an implicit variability for non-acceptance costs of 100 percent. *Id.* at 14-15.

*Impact.* The proposed changes would decrease the affected variabilities, which would cause a corresponding decrease in volume variable window service costs. *See id.* at 15-17. The claimed impacts on window service costs are:

Product	Established unit WS cost	Proposed unit WS cost	Unit WS cost change
First-Class Mail .....	\$0.007	\$0.003	-\$0.004
USPS Marketing Mail .....	0.002	0.001	-0.001
Periodicals .....	0.0014	0.0006	-0.0008
Package Services .....	0.049	0.028	-0.021
Domestic Competitive Products .....	0.096	0.049	-0.047
Certified Mail .....	0.652	0.431	-0.221
Money Orders .....	2.032	0.978	-1.053

*Id.* at 17. The claimed impacts on unit costs range from -0.3 percent to -0.0 percent for First-Class Mail; -0.1 percent to -1.4 percent for USPS Marketing Mail; -0.1 percent to -0.7 percent for Periodicals; -0.1 percent to -2.5 percent for Package Services; -12.1 percent to -37.1 percent for Ancillary Services, and average -1.4 percent for domestic Competitive products.<sup>2</sup>

**III. Notice and Comment**

Pursuant to 39 CFR 3050.11(d)(1), the Commission establishes Docket No. RM2026-6 to consider the matters

raised by the Petition. More information on the Petition may be accessed via the Commission’s website at <https://www.prc.gov>. Interested persons may submit comments on the Petition and the Proposal no later than July 27, 2026. Reply comments are due August 3, 2026. Pursuant to 39 U.S.C. 505, Madison Lichtenstein is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding. The Public Representative does not represent any individual person, entity or particular point of view, and, when Commission attorneys

are appointed, no attorney-client relationship is established.

**IV. Ordering Paragraphs**

*It is ordered:*

1. The Commission establishes Docket No. RM2026-6 to consider the matters raised by the Petition of the United States Postal Service to Initiate a Proceeding to Change Analytical Principles, and Notice of Filing USPS-RM2026-6-NP-1, filed May 28, 2026.

2. Pursuant to 39 U.S.C. 505, the Commission appoints Madison Lichtenstein to serve as an officer of the Commission (Public Representative) to

<sup>1</sup> Petition of the United States Postal Service to Initiate a Proceeding to Change Analytical Principles, and Notice of Filing USPS-RM2026-6-NP1, May 28, 2026 (Petition). The proposed change

is attached to the Petition (Proposal). The Petition was accompanied by a study supporting its Proposal. *See* Michael D. Bradley, *Updating and Refining Window Service Costs*, May 28, 2026.

<sup>2</sup> *Id.* at 20. For Market Dominant products, a full breakdown by product of the claimed impact on unit costs can be found in Table 2 in the Proposal. *See id.*

represent the interests of the general public in this docket.

3. Comments by interested persons in this proceeding are due no later than July 27, 2026.

4. Reply Comments are due August 3, 2026.

5. This Order, or abstract thereof, shall be published in the **Federal Register**.

By the Commission.

**Mallory S. Richards,**

*Attorney-Advisor.*

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