

By Authority of the Board.  
**Stephanie Hillyard,**  
*Secretary to the Board.*  
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## RAILROAD RETIREMENT BOARD

### 20 CFR Part 221

RIN 3220–AB83

#### Jurisdiction Determinations

**AGENCY:** Railroad Retirement Board.

**ACTION:** Final rule.

**SUMMARY:** The Railroad Retirement Board amends its regulations to reflect statutory amendments granting jurisdiction to the Board to pay benefits under the Railroad Retirement Act and under Title II of the Social Security Act to railroad employees and auxiliary beneficiaries who have less than ten years of railroad service, but at least five years after 1995. The amendment also adds divorced spouses to the list of auxiliary beneficiaries to whom the Board will pay benefits in accordance with controlling law. The existing regulation is no longer consistent with the statutory criteria in the Railroad Retirement Act for jurisdictional determinations and is therefore facially unlawful.

**DATES:** This rule is effective September 9, 2026.

**FOR FURTHER INFORMATION CONTACT:** Peter J. Orlowicz, Senior Counsel, Railroad Retirement Board, 844 North Rush Street, Chicago, IL 60611–1275, (312) 751–4922.

**SUPPLEMENTARY INFORMATION:** Section 2 of the Railroad Retirement Act directs the Railroad Retirement Board to pay annuities to eligible railroad employees, spouses, divorced spouses, and survivors of a deceased railroad employee. 45 U.S.C. 231a. Section 7(b)(2) of the Railroad Retirement Act also directs the Board to provide for payment of monthly benefits under Title II of the Social Security Act for individuals who meet the minimum railroad service requirement to receive an annuity under the Railroad Retirement Act and their auxiliary beneficiaries. 45 U.S.C. 231f(b)(2). For individuals that do not meet this requirement, the Board transfers jurisdiction of their Title II benefits to the Social Security Administration for payment, and their railroad service becomes creditable under the Social Security Act pursuant to section 18 of the Railroad Retirement Act. 45 U.S.C. 231q. The Board's regulations at 20 CFR

part 221 implement this statutory requirement.

Section 103 of the Railroad Retirement and Survivors' Improvement Act of 2001 amended the vesting requirement for railroad employees and auxiliary beneficiaries to receive annuities under the Railroad Retirement Act. Public Law 107–90, 115 Stat. 880 (Dec. 21, 2001). Prior to this enactment, railroad employees had to accrue ten years (120 months) of railroad service creditable under the Railroad Retirement Act to qualify for an annuity under the Act for themselves, their spouse, or their survivors, and for the Board to pay Title II benefits for those individuals. Section 103 expanded annuity eligibility to include employees who had less than ten years of railroad service, but at least five years of railroad service that all accrued after December 31, 1995 (and their auxiliary beneficiaries, if other eligibility criteria were met). Although the Board implemented the statutory amendments in section 103 of the Railroad Retirement and Survivors' Improvement Act of 2001 in policy and practice to properly keep jurisdiction of Title II benefits and railroad retirement annuities for individuals with less than ten years of creditable railroad service, but at least five years after December 31, 1995, the regulations at 20 CFR part 221 were not updated to reflect these statutory amendments.

Additionally, section 1122 of the Omnibus Budget Reconciliation Act of 1981 amended section 7(b)(2) of the Railroad Retirement Act to authorize the Board to maintain jurisdiction for payment of Title II benefits for divorced spouses of railroad workers who met the minimum railroad service requirement. Public Law 97–35, 95 Stat. 638 (Aug. 13, 1981); 45 U.S.C. 231f(b)(2). The regulations at 20 CFR part 221 do not properly reflect this authority. Finally, the Board is correcting a cross-reference to another part of the Board's regulations that no longer exists.

As part of its review of regulations directed by Executive Order 14219, Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative (Feb. 19, 2025), the Board identified this part purporting to transfer jurisdiction of benefits for divorced spouses and for individuals with less than ten years of creditable railroad service, but at least five years after December 31, 1995 to the Social Security Administration for payment as facially unlawful and in conflict with the statutory criteria in the Railroad Retirement Act for receiving such an annuity. In accordance with the

Presidential memorandum of April 9, 2025, directing the repeal of unlawful regulations, the Board is revising its regulations at 20 CFR part 221 to reflect current law. Pursuant to the memorandum, notice and comment proceedings are unnecessary and contrary to the public interest because the statutory criteria of the Railroad Retirement Act controls the jurisdictional determination of which agency pays benefits to affected individuals. Therefore, no comments are being requested.

#### Regulatory Analysis

*Executive Order 12866, as Supplemented by Executive Order 13563*

The Board, with the Office of Management and Budget, has determined that this is not a significant regulatory action under Executive Order 12866, as supplemented by Executive Order 13563. Therefore, no regulatory impact analysis is required.

#### Regulatory Flexibility Act

The Board certifies that this direct final rule would not have a significant economic impact on a substantial number of small entities because it affects only individuals.

#### Paperwork Reduction Act

This direct final rule imposes no reporting or recordkeeping requirements subject to Office of Management and Budget clearance.

#### List of Subjects in 20 CFR Part 221

Claims, Railroad retirement, Social security.

For the reasons stated in the preamble, the Railroad Retirement Board amends 20 CFR part 221 as follows:

#### PART 221—JURISDICTION DETERMINATIONS

■ 1. The authority citation for part 221 is revised to read as follows:

**Authority:** 45 U.S.C. 231f(b)(1), (b)(2); 45 U.S.C. 231f(d); 45 U.S.C. 231q.

■ 2. In § 221.1, revise the second sentence to read as follows:

##### § 221.1 Introduction.

\* \* \* The agency that has jurisdiction over the payment of benefits also has jurisdiction of the applicant's Medicare coverage as described in section 7(d) of the Railroad Retirement Act. \* \* \*

■ 3. Revise § 221.2 to read as follows:

**§ 221.2 Railroad Retirement Board jurisdiction.**

(a) *Life cases.* The Board has jurisdiction to pay monthly benefits to each living employee who has completed at least ten years (120 months) of creditable service under the Railroad Retirement Act (or five years (60 months) of service, all of which accrues after December 31, 1995), and to his or her eligible spouse or divorced spouse. Creditable service is described in part 220 of this chapter.

(b) *Death cases.* The Board has jurisdiction to pay monthly benefits or lump-sum death benefits to eligible survivors of a deceased employee, when the deceased employee has at least ten years (120 months) of service that is creditable under the Railroad Retirement Act (or five years (60 months) of service, all of which accrues after December 31, 1995) and a current connection as described in part 216 of this chapter. Lump-sum death benefits are described in part 234 of this chapter. The Board also has jurisdiction to pay any residual benefits that may become payable at the death of an employee. Residual benefits are described in part 234 of this chapter. The Board retains jurisdiction to pay any residual benefit that may be payable even after jurisdiction has been transferred to the Social Security Administration as described in § 221.3.

■ 4. Revise § 221.3 to read as follows:

**§ 221.3 Social Security Administration jurisdiction.**

The Board transfers jurisdiction for benefits payable on any employee's earnings record (including railroad service and compensation credits earned by the employee, which the Social Security Administration considers in determining benefits payable as directed by section 18 of the Railroad Retirement Act) to the Social Security Administration when—

(a) *Life and death cases.* A living or deceased employee has less than ten years (120 months) of service and less than five years (60 months) of service after December 31, 1995 that is creditable under the Railroad Retirement Act; or

(b) *Death cases.* A deceased employee has at least ten years (120 months) of service or at least five years (60 months) of service after December 31, 1995 that is creditable under the Railroad Retirement Act (see part 220 of this chapter) but does not have a current connection with the railroad industry as described in part 216 of this chapter.

Dated: August 6, 2026.

By Authority of the Board.

**Stephanie Hillyard,**

*Secretary to the Board.*

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**DEPARTMENT OF STATE****22 CFR Part 35**

[PN: 13097]

**RIN 1400–AG08**

**Implementation of the Administrative False Claims Act**

**AGENCY:** Department of State.

**ACTION:** Final rule.

**SUMMARY:** This rule would establish updated, procedural regulations implementing the Administrative False Claims Act (AFCA) at the Department of State.

**DATES:** This rule is effective on August 10, 2026.

**FOR FURTHER INFORMATION CONTACT:**

Alice Kottmyer, Attorney-Adviser, [kottmyeram@state.gov](mailto:kottmyeram@state.gov), 202–679–8083.

**SUPPLEMENTARY INFORMATION:** Congress originally enacted the Program Fraud Civil Remedies Act (PFCRA) in 1986. The purpose of the PFCRA was twofold: to provide agencies that were the victims of false claims and statements an administrative remedy and to provide due process for all parties subject to that remedy. Public Law 99–509 6102 (October 21, 1986) (findings and purposes at 31 U.S.C. 3801 note).

Section 5203 of the Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025 (Pub. L. 118–59), which was enacted on December 23, 2024, amended the PFCRA. Among other things, the amendments changed the PFCRA's name to the Administrative False Claims Act. In that legislation, Congress also required agencies to make conforming changes to their regulations.

This rule includes the conforming changes required by that provision. The intent of this rule is to cite the controlling statute when possible, repeating statutory provisions in the regulation only where necessary for the convenience of the regulated public. This rule also restates the existing Department PFCRA regulations in Part 35 to consolidate Department regulations into a streamlined AFCA section. The revised structure of this regulation replaces forty-seven separate sections with six sections to minimize the regulatory footprint of the AFCA at the Department.

**Regulatory Analysis***Administrative Procedure Act*

The Department has issued this final rule without prior notice and opportunity for comment because this is a rule of agency organization, procedure, or practice (“procedural rule”). See 5 U.S.C. 553(b)(A). The Department further finds good cause under the APA to issue this rule without prior notice and comment and for immediate effect because comments would be unnecessary under 5 U.S.C. 553(b)(B).

The procedural-rule exception “covers agency actions that do not themselves alter the rights or interests of parties, although it may alter the manner in which the parties present themselves or their viewpoints to the agency.” *JEM Broad. Co., Inc. v. FCC*, 22 F.3d 320, 326 (D.C. Cir. 1994) (quoting *Batterton v. Marshall*, 648 F.2d 694, 707 (D.C. Cir. 1980)); see also *Mendoza v. Perez*, 754 F.3d 1002, 1023–24 (D.C. Cir. 2014); *Am. Hosp. Ass’n v. Bowen*, 834 F.2d 1037, 1047 (D.C. Cir. 1987) (holding that procedural rules are those that do not “encode a substantive value judgment or put a stamp of approval or disapproval on a given type of behavior”).

This final rule merely updates the Department's existing regulations to reflect the statutory changes made by the FY 2025 NDAA and to make other minor hearing procedure changes. The Department has no discretion in the statutory changes and does not make substantive policy choices or impose obligations beyond those required by statute. Accordingly, notice and comment is unnecessary and delaying the rule's effective date would not meaningfully enhance public participation or implementation.

*Regulatory Flexibility Analysis*

The RFA's regulatory flexibility analysis requirements apply only to those rules for which an agency is required to publish a general notice of proposed rulemaking pursuant to 5 U.S.C. 553 or any other law. See 5 U.S.C. 604(a). State did not issue a notice of proposed rulemaking for this action. Therefore, a regulatory flexibility analysis is not required for this rule. Nonetheless, DHS has determined that this rule will not have a significant economic impact on a substantial number of small entities. This rule is procedural.