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§ 849.603 Transfer of conserved or accumulated funds.

A representative payee who has conserved or invested annuity payments shall transfer these funds and any interest earned from the invested funds to either a successor payee, to the annuitant, or to the agency as we will specify. If the funds and the earned interest are returned to the agency, we will recertify them to the successor representative payee or to the annuitant.

PART 850—ELECTRONIC RETIREMENT PROCESSING

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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).

SOURCE: 72 FR 73576, Dec. 28, 2007, unless otherwise noted.

Subpart A—General Provisions

§ 850.101 Purpose and scope.

(a) The purpose of this part is to enable changes to OPM's retirement and insurance processing systems to im-

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prove the quality and timeliness of services to employees and annuitants covered by CSRS and FERS by using contemporary, automated business processes and supporting accessible technologies. By utilizing these automated processes, OPM will employ 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. Those regulatory provisions that would otherwise apply were established for a hardcopy based retirement and insurance benefits processing system that may eventually be phased out but which will continue to operate concurrently with OPM's modernization efforts. During the phased transition to electronic retirement and insurance processing, certain regulations that were not designed with information technology needs in mind, and which are incompatible with electronic business processes, must be set aside with respect to electronic retirement and insurance processing. The regulations set forth in this part make the transition to electronic processing 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 hardcopy records.

[78 FR 68981, Nov. 18, 2013]

§ 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.

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(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 means 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 means 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 is 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 means any information conveyed through electronic means and includes electronic forms, applications, elections, and requests submitted by email or any other electronic message.

Electronic Document Management System (EDMS) means the electronic system of images of hardcopy individual retirement records (SF 2806 and SF 3100) and other retirement-related documents.

Electronic Individual Retirement Record (eIRR) means a web-based database that contains certified electronic closeout and fully paid post-56 military service deposit Individual Retirement Records (IRRs), also known as Standard Form (SF) 2806 and SF 3100. The eIRR is stored in the Electronic Individual Retirement Record records storage database (formerly known as the Individual Retirement Record Closeout Data Capture or ICDC records storage database).

Electronic Official Personnel Record Folder (eOPF) means an electronic version of the hardcopy Official Personnel Folder (OPF), providing Web-enabled access for federal employees and HR staff to view eOPF documents.

Electronic Retirement Record (ERR) means the certified electronic retirement record submitted to OPM as a retirement data feed in accordance with the Guide to Retirement Data Reporting. The ERR is submitted to OPM whenever an Agency would otherwise submit a hardcopy IRR to OPM.

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

Enterprise Human Resources Integration (EHRI) Data System means the comprehensive electronic retirement record-keeping system that supports OPM's retirement processing across the Federal Government.

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

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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.

Retirement Data Repository means a secure centralized data warehouse that stores electronic retirement data of employees covered under the Civil Service Retirement System or the Federal Employees Retirement System compiled from multiple sources including agencies and Shared Service Centers.

RFEHB means the Retired Federal Employees Health Benefits Program established under Public Law 86-724, 74 Stat. 849, 851-52 (September 8, 1960), as amended.

Shared Service Centers means 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

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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.

[78 FR 68981, Nov. 18, 2013]

§ 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)(i) In general, any regulatory requirement under CSRS, FERS, FEGLI, FEHB or RFEHB that a signature be notarized, certified, or otherwise witnessed, by a notary public or other official authorized to administer oaths

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may be satisfied by the electronic signature of the person authorized to perform those acts when such electronic signature is attached to or logically associated with all other information and records required to be included by the applicable regulation.

(ii) Except as provided in paragraph (a)(4)(iii) of this section, a person signing a consent or election for the purpose of electronic notarization under paragraph (a)(4)(i) of this section must be in the physical presence of the notary public or an official authorized to administer oaths.

(iii) The Director may provide in directives issued under § 850.104 that alternative procedures utilized by a notary public or other official authorized to administer oaths (such as audio-video conference technology) will be deemed to satisfy the physical presence requirement for a notarized, certified, or witnessed election or consent, but only if those procedures with respect to the electronic system provide the same safeguards as are provided by physical presence.

(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.

[72 FR 73576, Dec. 28, 2007, as amended at 78 FR 68982, Nov. 18, 2013]

Subpart B—Applications for Benefits; Elections**§ 850.201 Applications for benefits.**

(a) Hardcopy 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 electronically in such form as the Director prescribes under § 850.104.

(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.

[78 FR 68983, Nov. 18, 2013]

§ 850.202 Survivor elections.

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.

[72 FR 73576, Dec. 28, 2007, as amended at 78 FR 68983, Nov. 18, 2013]

§ 850.203 Other elections.

Any other election may be effected in such form as the Director prescribes under § 850.104. Such elections include but are not limited to elections of coverage under CSRS, FERS, FEGLI, FEHB, or RFEHB by individuals entitled to elect such coverage; applications for service credit and applications to make deposit; and elections regarding the withholding of State income tax from annuity payments.

[78 FR 68983, Nov. 18, 2013]

§ 850.301**Subpart C—Records****§ 850.301 Electronic records; other acceptable records.**

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

(1) Electronic employee data, including an eIRR or an ERR, submitted by an agency, agency payroll office, or Shared Service Center, or other entity and stored within the EHRI Retirement Data Repository, the eIRR records storage database, or other OPM database.

(2) Electronic Official Personnel Folder (eOPF) data; and

(3) Documents, including hardcopy versions of the Individual Retirement Record (SF 2806 or SF 3100), or data or images obtained from such documents, including images stored in EDMS, 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.

[78 FR 68983, Nov. 18, 2013]

§ 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 doc-

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uments 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.**

An agency or other entity that submits electronic employee records directly or through a Shared Service Center 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, in the notice for the position for which law enforcement officer, firefighter, or nuclear materials courier retirement coverage has been approved. Agencies or other entities must submit position descriptions to OPM in a PDF document to combox address: *combox@opm.gov*.

[78 FR 68983, Nov. 18, 2013]

PART 870—FEDERAL EMPLOYEES' GROUP LIFE INSURANCE PROGRAM**Subpart A—Administration and General Provisions**

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