

an initial regulatory analysis, did not apply.¹⁴ In considering the economic impact of the proposed amendment on manufacturers and retailers, the Commission noted that the amendment would impose no obligations, penalties or costs, in part because the amendment simply provides an additional, alternative method of complying with existing rules. Use of the new alternative is voluntary. The Commission nonetheless requested comment on the effects of the proposed amendment on costs, profitability, competitiveness, and employment in small entities, in order not to overlook any substantial economic impact that would warrant a final regulatory flexibility analysis.¹⁵

Despite the explicit request by the Commission for comment on the impact of the amendment on small entities, and the receipt of twenty-seven comments from a variety of industry members, including the association that represents the producers of over 90% of U.S. fiber, no comments were received on this aspect of the rulemaking. The uniform silence on this issue supports the Commission's tentative conclusion contained in the Notice of Proposed Rulemaking. Accordingly, on the basis of all the information before it, the Commission has determined that the final amendment will not have a sufficiently significant economic impact on a substantial number of small entities to warrant a final regulatory flexibility analysis under the Regulatory Flexibility Act. The notice serves as certification to that effect to the Small Business Administration.

IV. Paperwork Reduction Act

This amendment does not constitute a "collection of information" under the Paperwork Reduction Act¹⁶ and the implementing regulations of the Office of Management and Budget ("OMB").¹⁷

The generic name petition requests have already been submitted to the OMB and have been assigned a control number, 3084-0047.

List of Subjects in 16 CFR Part 303

Labeling, Textiles, Trade practices.

PART 303—RULES AND REGULATIONS UNDER THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACT

Accordingly, after consideration of the views, arguments and data submitted pursuant to the Notice of

Proposed Rulemaking in this matter, and in consideration of other pertinent information and material available to the Commission, the Commission has determined to amend 16 CFR Part 303, Rules and Regulations under the Textile Fiber Products Identification Act, in the manner set forth below:

1. The authority citation for Part 303 continues to read as follows:

Authority: Sec. 7(c) of the Textile Fiber Products Identification Act, 15 U.S.C. 70e(c); Sec. 553 of the Administrative Procedure Act, 5 U.S.C. 553.

§ 303.7 [Amended]

2. Section 303.7(d), Generic Names and Definitions for Manufactured Fibers, of 16 CFR Part 303 is hereby revised to read as follows:

§ 303.7 Generic names and definitions for manufactured fibers.

* * * * *

(d) Rayon—a manufactured fiber composed of regenerated cellulose, as well as manufactured fibers composed of regenerated cellulose in which substituents have replaced not more than 15% of the hydrogens of the hydroxyl groups. Where the fiber is composed of cellulose precipitated from an organic solution in which no substitution of the hydroxyl groups takes place and no chemical intermediates are formed, the term *lyocell* may be used as a generic description of the fiber.

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By direction of the Commission.
Donald S. Clark,
Secretary.
[FR Doc. 96-9274 Filed 4-12-96; 8:45 am]
BILLING CODE 6750-01-M

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Parts 2610 and 2622

Late Premium Payments and Employer Liability Underpayments and Overpayments; Interest Rate for Determining Variable Rate Premium; Amendments to Interest Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This document notifies the public of the interest rate applicable to late premium payments and employer liability underpayments and overpayments for the calendar quarter beginning April 1, 1996. This interest rate is established quarterly by the Internal Revenue Service. This

document also sets forth the interest rates for valuing unfunded vested benefits for premium purposes for plan years beginning in February through April 1996. These interest rates are established pursuant to section 4006 of the Employee Retirement Income Security Act of 1974, as amended. The effect of these amendments is to advise plan sponsors and pension practitioners of these new interest rates.

EFFECTIVE DATE: April 1, 1996.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005-4026; telephone 202-326-4024 (202-326-4179 for TTY and TTD). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: As part of title IV of the Employee Retirement Income Security Act of 1974, as amended, the Pension Benefit Guaranty Corporation collects premiums from ongoing plans to support the single-employer and multiemployer insurance programs. Under the single-employer program, the PBGC also collects employer liability from those persons described in ERISA section 4062(a). Under ERISA section 4007 and 29 CFR § 2610.7, the interest rate to be charged on unpaid premiums is the rate established under section 6601 of the Internal Revenue Code ("Code"). Similarly, under 29 CFR 2622.7, the interest rate to be credited or charged with respect to overpayments or underpayments of employer liability is the section 6601 rate. These interest rates are published by the PBGC in appendix A to the premium regulation and appendix A to the employer liability regulation.

The Internal Revenue Service has announced that for the quarter beginning April 1, 1996, the interest charged on the underpayment of taxes will be at a rate of 8 percent. Accordingly, the PBGC is amending appendix A to 29 CFR part 2610 and appendix A to 29 CFR part 2622 to set forth this rate for the April 1, 1996, through June 30, 1996, quarter.

Under ERISA section 4006(a)(3)(E)(iii)(II), in determining a single-employer plan's unfunded vested benefits for premium computation purposes, plans must use an interest rate equal to 80% of the annual yield on 30-year Treasury securities for the month preceding the beginning of the plan year for which premiums are being paid. Under § 2610.23(b)(1) of the premium regulation, this value is determined by reference to 30-year Treasury constant maturities as reported

¹⁴ 60 FR 62352, 62354 (Dec. 6, 1995).

¹⁵ Id.

¹⁶ 44 U.S.C. 3501 et seq.

¹⁷ 5 CFR 1320.7(c).

in Federal Reserve Statistical Releases G.13 and H.15. The PBGC publishes these rates in appendix B to the regulation.

The PBGC publishes these monthly interest rates in appendix B on a quarterly basis to coincide with the publication of the late payment interest rate set forth in appendix A. (The PBGC publishes the appendix A rates every quarter, regardless of whether the rate has changed.) Unlike the appendix A rate, which is determined prospectively, the appendix B rate is not known until a short time after the first of the month for which it applies. Accordingly, the PBGC is hereby amending appendix B to part 2610 to add the vested benefits valuation rates for plan years beginning in February through April of 1996.

The appendices to 29 CFR parts 2610 and 2622 do not prescribe the interest rates under these regulations. Under both regulations, the appendix A rates are the rates determined under section 6601(a) of the Code. The interest rates in appendix B to part 2610 are prescribed by ERISA section 4006(a)(3)(E)(iii)(II) and § 2610.23(b)(1) of the regulation. These appendices merely collect and republish the interest rates in a convenient place. Thus, the interest rates in the appendices are informational only. Accordingly, the PBGC finds that notice of and public comment on these amendments would be unnecessary and contrary to the public interest. For the above reasons, the PBGC also believes that good cause exists for making these amendments effective immediately.

The PBGC has determined that none of these actions is a "significant regulatory action" under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for these amendments, the Regulatory Flexibility Act of 1980 does not apply. See 5 U.S.C. 601(2).

List of Subjects

29 CFR Part 2610

Employee benefit plans, Penalties, Pension insurance, Pensions, and Reporting and recordkeeping requirements.

29 CFR Part 2622

Business and industry, Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements, and Small businesses.

In consideration of the foregoing, part 2610 and part 2622 of chapter XXVI of title 29, Code of Federal Regulations, are hereby amended as follows:

PART 2610—PAYMENT OF PREMIUMS

1. The authority citation for part 2610 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1306, 1307.

2. Appendix A to part 2610 is amended by adding a new entry for the quarter beginning April 1, 1996, to read as follows. The introductory text is republished for the convenience of the reader and remains unchanged.

Appendix A to Part 2610—Late Payment Interest Rates

The following table lists the late payment interest rates under § 2610.7(a) for the specified time periods:

From—	Through—	Interest rate (percent)
* * April 1, 1996 .	* * June 30, 1996 ...	* * 8.00

3. Appendix B to part 2610 is amended by adding to the table of interest rates new entries for premium payment years beginning in February through April of 1996, to read as follows. The introductory text is republished for the convenience of the reader and remains unchanged.

Appendix B to Part 2610—Interest Rates for Valuing Vested Benefits

The following table lists the required interest rates to be used in valuing a plan's vested benefits under § 2610.23(b) and in calculating a plan's adjusted vested benefits under § 2610.23(c)(1):

For premium payment years beginning in—	Required interest rate ¹
* * February 1996	* * 4.84
* * March 1996	* * 4.99
* * April 1996	* * 5.28

¹ The required interest rate listed above is equal to 80% of the annual yield for 30-year Treasury constant maturities, as reported in Federal Reserve Statistical Release G.13 and H.15 for the calendar month preceding the calendar month in which the premium payment year begins.

PART 2622—EMPLOYER LIABILITY FOR WITHDRAWALS FROM AND TERMINATIONS OF SINGLE-EMPLOYER PLANS

4. The authority citation for part 2622 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1362–1364, 1367–68.

5. Appendix A to part 2622 is amended by adding a new entry for the quarter beginning April 1, 1996, to read

as follows. The introductory text is republished for the convenience of the reader and remains unchanged.

Appendix A to Part 2622—Late Payment and Overpayment Interest Rates

The following table lists the late payment and overpayment interest rates under § 2622.7 for the specified time periods:

From	Through	Interest rate (percent)
* * April 1, 1996 ...	* * June 30, 1996 ..	* * 8.00

Issued in Washington, DC, this 3d day of April 1996.

Martin Slate,
Executive Director, Pension Benefit Guaranty Corporation.

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29 CFR Parts 2619 and 2676

Valuation of Plan Benefits in Single-Employer Plans; Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal; Amendments Adopting Additional PBGC Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This final rule amends the Pension Benefit Guaranty Corporation's regulations on Valuation of Plan Benefits in Single-Employer Plans and Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal. The former regulation contains the interest assumptions that the PBGC uses to value benefits under terminating single-employer plans. The latter regulation contains the interest assumptions for valuations of multiemployer plans that have undergone mass withdrawal. The amendments set out in this final rule adopt the interest assumptions applicable to single-employer plans with termination dates in May 1996, and to multiemployer plans with valuation dates in May 1996. The effect of these amendments is to advise the public of the adoption of these assumptions.

EFFECTIVE DATE: May 1, 1996.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005, 202–326–4024 (202–326–4179 for TTY and TDD).