

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Part 4044

Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing Benefits

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: The Pension Benefit Guaranty Corporation's regulation on Allocation of Assets in Single-Employer Plans prescribes interest assumptions for valuing benefits under terminating single-employer plans. This final rule amends the regulation to adopt interest assumptions for plans with valuation dates in March 2000. Interest assumptions are also published on the PBGC's web site (<http://www.pbgc.gov>).

EFFECTIVE DATE: March 1, 2000.

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. (For TTY/TDD users, call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4024.)

SUPPLEMENTARY INFORMATION: The PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044) prescribes actuarial assumptions for valuing plan benefits of terminating single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974.

Among the actuarial assumptions prescribed in part 4044 are interest assumptions. These interest assumptions are intended to reflect current conditions in the financial and annuity markets.

Two sets of interest assumptions are prescribed, one set for the valuation of benefits to be paid as annuities and one set for the valuation of benefits to be paid as lump sums. This amendment adds to appendix B to part 4044 the annuity and lump sum interest assumptions for valuing benefits in plans with valuation dates during March 2000.

For annuity benefits, the interest assumptions will be 7.10 percent for the first 25 years following the valuation date and 6.25 percent thereafter. The annuity interest assumptions are unchanged from those in effect for February 2000.

For benefits to be paid as lump sums, the interest assumptions to be used by the PBGC will be 5.25 percent for the period during which a benefit is in pay status, 4.50 percent during the seven-year period directly preceding the benefit's placement in pay status, and 4.00 percent during any other years preceding the benefit's placement in pay status. The lump sum interest assumptions are unchanged from those in effect for February 2000.

The PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest assumptions promptly so that the assumptions can reflect, as

accurately as possible, current market conditions.

Because of the need to provide immediate guidance for the valuation of benefits in plans with valuation dates during March 2000, the PBGC finds that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

The PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

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

List of Subjects in 29 CFR Part 4044

Pension insurance, Pensions.

In consideration of the foregoing, 29 CFR part 4044 is amended as follows:

PART 4044—ALLOCATION OF ASSETS IN SINGLE-EMPLOYER PLANS

1. The authority citation for part 4044 continues to read as follows:

Authority: 29 U.S.C. 1301(a), 1302(b)(3), 1341, 1344, 1362.

2. In appendix B, a new entry is added to Table I, and Rate Set 77 is added to Table II, as set forth below. The introductory text of each table is republished for the convenience of the reader and remains unchanged.

Appendix B to Part 4044—Interest Rates Used to Value Annuities and Lump Sums

TABLE I.—ANNUITY VALUATIONS

[This table sets forth, for each indicated calendar month, the interest rates (denoted by i_1, i_2, \dots , and referred to generally as i_t) assumed to be in effect between specified anniversaries of a valuation date that occurs within that calendar month; those anniversaries are specified in the columns adjacent to the rates. The last listed rate is assumed to be in effect after the last listed anniversary date.]

For valuation dates occurring in the month—	The values of i_t are:					
	i_t	for t =	i_t	for t =	i_t for t =	
* * * * *		*		*		*
March 20000710	1-25	.0625	>25	N/A	N/A.

TABLE II.—LUMP SUM VALUATIONS

[In using this table: (1) For benefits for which the participant or beneficiary is entitled to be in pay status on the valuation date, the immediate annuity rate shall apply; (2) For benefits for which the deferral period is y years (where y is an integer and $0 < y \leq n_1$), interest rate i_1 shall apply from the valuation date for a period of y years, and thereafter the immediate annuity rate shall apply; (3) For benefits for which the deferral period is y years (where y is an integer and $n_1 < y \leq n_1 + n_2$), interest rate i_2 shall apply from the valuation date for a period of $y - n_1$ years, interest rate i_1 shall apply for the following n_1 years, and thereafter the immediate annuity rate shall apply; (4) For benefits for which the deferral period is y years (where y is an integer and $y > n_1 + n_2$), interest rate i_3 shall apply from the valuation date for a period of $y - n_1 - n_2$ years, interest rate i_2 shall apply for the following n_2 years, interest rate i_1 shall apply for the following n_1 years, and thereafter the immediate annuity rate shall apply.]

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		i_1	i_2	i_3	n_1	n_2
* * *	* * *	* * *	* * *	* * *	* * *	* * *	* * *	* * *
77	3-1-00	4-1-00	5.25	4.50	4.00	4.00	7	8

Issued in Washington, DC, on this 4th day of February, 2000.
David M. Strauss,
Executive Director, Pension Benefit Guaranty Corporation.
 [FR Doc. 00-3458 Filed 2-14-00; 8:45 am]
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DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD01-00-006]

Drawbridge Operation Regulations: Norwalk River, CT

AGENCY: Coast Guard, DOT.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, First Coast Guard District, has issued a temporary deviation from the drawbridge operation regulations for the Washington Street S136 Bridge, mile 0.0, across the Norwalk River at Norwalk, Connecticut. This deviation from the regulations allows the bridge owner to keep the bridge in the closed position from 8 a.m. on February 29, 2000, to 4:30 p.m. on March 2, 2000. This action is necessary to facilitate structural repairs at the bridge.

DATES: This deviation is effective February 29, 2000, through March 2, 2000.

FOR FURTHER INFORMATION CONTACT: Joseph Schmied, Project Officer, First Coast Guard District, at (212) 668-7165.

SUPPLEMENTARY INFORMATION: The Washington Street S136 Bridge, mile 0.0, across the Norwalk River at Norwalk, Connecticut, has a vertical clearance of 9 feet at mean high water,

and 16 feet at mean low water in the closed position. The bridge owner, Connecticut Department of Transportation, requested a temporary deviation from the operating regulations to facilitate structural repairs at the bridge. The existing operating regulations listed at 33 CFR 117.217 require the bridge to open on signal, except that, from 7 a.m. to 8:45 a.m., 11:45 a.m. to 1:15 p.m., and 4 p.m. to 6 p.m., Monday through Friday, except holidays, the draw need not be opened for the passage of vessels that draw less than 14 feet of water.

This deviation to the operating regulations allows the owner of the bridge to keep the bridge in the closed position from 8 a.m. on February 29, 2000, through 4:30 p.m. on March 2, 2000. Vessels that can pass under the bridge without an opening may do so at all times.

In accordance with 33 CFR 117.35(c), this work will be performed with all due speed in order to return the bridge to normal operation as soon as possible. This deviation from the operating regulations is authorized under 33 CFR 117.35.

Dated: February 8, 2000.

R.M. Larrabee,
Rear Admiral, U.S. Coast Guard Commander, First Coast Guard District.

[FR Doc. 00-3495 Filed 2-14-00; 8:45 am]

BILLING CODE 4910-15-U

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 8

RIN 2900-AJ78

National Service Life Insurance

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the Department of Veterans Affairs regulations regarding payments of premiums for National Service Life Insurance. We are revising provisions for purposes of clarity and making other non-substantive changes.

DATES: *Effective date:* February 15, 2000.

FOR FURTHER INFORMATION CONTACT: Ms. Jeanne Derrick, Attorney-Advisor, Department of Veterans Affairs Regional Office and Insurance Center, P.O. Box 8079, Philadelphia, Pennsylvania 19101, telephone number (215) 842-2000, ext. 4277, fax number (215) 381-3504.

SUPPLEMENTARY INFORMATION: This document revises provisions for purposes of clarity and makes other non-substantive changes. Accordingly, we are dispensing with prior notice and comment and delayed effective date provisions of 5 U.S.C. 552 and 553.

The Secretary of Veterans Affairs hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601-612. This final rule does not make substantive changes. Pursuant to 5 U.S.C. 605(b), this final rule is, therefore, exempt from the initial and final regulatory flexibility analysis requirements of 5 U.S.C. 603 and 604.

The Catalog of Federal Domestic Assistance Program number for this regulation is 64.103.

List of Subjects in 38 CFR Part 8

Disability benefits, Life insurance, Loan programs—veterans, Military personnel, Veterans.