



Monday
April 26, 1999

Part XLI

**Pension Benefit
Guaranty
Corporation**

Semiannual Regulatory Agenda

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Ch. XXVI

Agenda of Regulations Under Development

AGENCY: Pension Benefit Guaranty Corporation (PBGC).

ACTION: Semiannual regulatory agenda.

SUMMARY: This document sets forth the Pension Benefit Guaranty Corporation's regulatory agenda issued under Executive Order 12866 and the Regulatory Flexibility Act. The agenda lists regulations that are currently under development or review or that PBGC expects to have under development or review during the next 12 months. The effect of this agenda is to advise the

public of PBGC's current and future regulatory activities.

ADDRESSES: Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street NW., Washington, DC 20005-4026.

FOR FURTHER INFORMATION CONTACT: For further information on the agenda in general, contact Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, (202) 326-4024. For information about a specific regulation project listed on the agenda, contact the person designated in the agenda for that regulation.

SUPPLEMENTARY INFORMATION: Under the President's order on Regulatory Planning and Review, Executive Order 12866 (58 FR 51735, October 4, 1993), each agency is required to prepare an

agenda of all regulations under development or review. The Regulatory Flexibility Act, Public Law 98-354, 5 U.S.C. 601, has a similar agenda requirement. Under that law, the agenda must list any regulation that is likely to have a significant economic impact on a substantial number of small entities.

The Office of Management and Budget has issued guidelines prescribing the form and content of the regulatory agenda. Under those guidelines, the agenda must list all regulatory activities being conducted or reviewed in the next 12 months and provide certain specified information on each regulation. All of the items on this agenda are current or projected rulemakings.

David M. Strauss,
Executive Director, Pension Benefit Guaranty Corporation.

Prerule Stage

Sequence Number	Title	Regulation Identifier Number
3876	Premium Self-Audit	1212-AA93

Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
3877	Filing Rules	1212-AA89
3878	Payment of Benefits in PBGC-Trusteed Plans	1212-AA35
3879	Calculation and Payment of Unfunded Nonguaranteed Benefits	1212-AA54
3880	Allocation of Assets in Single-Employer Plans; Valuation of Benefits and Assets	1212-AA55
3881	Treatment of Substantial Cessation of Operations	1212-AA84
3882	Lump Sum Payment Assumptions	1212-AA92
3883	Payment of Premiums	1212-AA94

Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
3884	Valuation of Benefits; Use of Single Set of Assumptions for All Benefits	1212-AA91

Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
3885	Payment of Premiums	1212-AA58
3886	Miscellaneous Statutory Amendments	1212-AA79

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Prerule Stage

3876. • PREMIUM SELF-AUDIT**Priority:** Substantive, Nonsignificant**Legal Authority:** 29 USC 1302; 29 USC 1307**CFR Citation:** 29 CFR 4007**Legal Deadline:** None

Abstract: The PBGC is considering whether to set up a premium "self-audit" program under which pension plans' premium payments could be reviewed by the plans' own independent auditors using "agreed-

upon procedures" specified by the PBGC. The aim of the program would be to limit the need for full-scale PBGC audits for participating plans while improving voluntary compliance with premium payment rules.

Timetable:

Action	Date	FR Cite
ANPRM	07/00/99	
ANPRM Comment Period End	09/00/99	

Regulatory Flexibility Analysis Required: Undetermined

Small Entities Affected: No**Government Levels Affected:** None

Agency Contact: Deborah C. Murphy, Attorney, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 20005-4026
Phone: 202 326-4024

TDD: 800 877-8339

Fax: 202 326-4112

RIN: 1212-AA93

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Proposed Rule Stage

3877. FILING RULES**Priority:** Substantive, Nonsignificant

Reinventing Government: This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

Legal Authority: 29 USC 1301 et seq**CFR Citation:** 29 CFR 4000**Legal Deadline:** None

Abstract: The PBGC's rules governing the date of filing vary, depending on the regulation involved and the method of filing used (e.g., mail postmarked by the United States Postal Service, metered mail, commercial delivery service, facsimile). The PBGC intends to clarify and simplify its filing rules and to provide greater flexibility in methods of filing (including by electronic means).

Timetable:

Action	Date	FR Cite
NPRM	05/00/99	
NPRM Comment Period End	07/00/99	

Regulatory Flexibility Analysis**Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

Agency Contact: Catherine B. Klion, Attorney, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 20005-4024
Phone: 202 326-4024
TDD: 800 877-8339

Fax: 202 326-4112

RIN: 1212-AA89**3878. PAYMENT OF BENEFITS IN PBGC-TRUSTEED PLANS****Priority:** Substantive, Nonsignificant**Legal Authority:** 29 USC 1302(b)(3); 29 USC 1322; 29 USC 1342**CFR Citation:** 29 CFR 4022**Legal Deadline:** None

Abstract: When the PBGC assumes trusteeship of a terminated pension plan pursuant to sections 4041 and 4042 of ERISA, it pays benefits to participants pursuant to plan provisions and section 4022 of ERISA. This regulation will fill gaps in the rules and otherwise clarify matters that had been handled on a case-by-case basis in the past.

Timetable:

Action	Date	FR Cite
NPRM	07/00/99	
NPRM Comment Period End	09/00/99	

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None

Agency Contact: Catherine B. Klion, Attorney, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 20005-4026
Phone: 202 326-4024
TDD: 800 877-8339
Fax: 202 326-4112

RIN: 1212-AA35**3879. CALCULATION AND PAYMENT OF UNFUNDED NONGUARANTEED BENEFITS****Priority:** Other Significant**Legal Authority:** 29 USC 1302(b)(3); 29 USC 1322(c)**CFR Citation:** 29 CFR 4022 subpart C**Legal Deadline:** None

Abstract: Under ERISA section 4022(c), plan participants and beneficiaries may receive a portion of their unfunded nonguaranteed benefits (UNBs). The PBGC's claim for employer liability covers both its shortfall (unfunded guaranteed benefits) and participants' losses (UNBs). In turn, the PBGC uses a portion of its employer liability recoveries to pay a portion of UNBs to participants and beneficiaries. Section 4022(c) contains several ambiguities and also leaves to the PBGC the development of specific rules and procedures necessary to make this system work.

Timetable:

Action	Date	FR Cite
NPRM	10/00/99	
NPRM Comment Period End	12/00/99	

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None

Agency Contact: Peter H. Gould, Senior Counsel, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 20005-4026
Phone: 202 326-4020
TDD: 800 877-8339

PBGC

Proposed Rule Stage

Fax: 202 326-4112

RIN: 1212-AA54

3880. ALLOCATION OF ASSETS IN SINGLE-EMPLOYER PLANS; VALUATION OF BENEFITS AND ASSETS

Priority: Other Significant

Legal Authority: 29 USC 1302(b)(3); 29 USC 1341; 29 USC 1301(a); 29 USC 1344; 29 USC 1362

CFR Citation: 29 CFR 4044 subpart B

Legal Deadline: None

Abstract: The Pension Benefit Guaranty Corporation is considering amending its benefit valuation and asset allocation regulations by adopting more current mortality tables and otherwise simplifying and improving its valuation assumptions and methods.

Timetable:

Action	Date	FR Cite
Notice of Intent to Propose Rulemaking	03/19/97	62 FR 12982
NPRM	08/00/99	
NPRM Comment Period End	10/00/99	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: James L. Beller, Attorney, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 20005-4026
Phone: 202 326-4024
TDD: 800 877-8339
Fax: 202 326-4112

RIN: 1212-AA55

3881. TREATMENT OF SUBSTANTIAL CESSATION OF OPERATIONS

Priority: Substantive, Nonsignificant

Legal Authority: 29 USC 1302(b)(3); 29 USC 1362; 29 USC 1363; 29 USC 1364; 29 USC 1365

CFR Citation: 29 CFR 4062

Legal Deadline: None

Abstract: Section 4062(e) of ERISA imposes a contingent liability upon an employer in the case of certain

cessations of operations at a facility. This rulemaking will address certain issues that may arise under this section.

Timetable:

Action	Date	FR Cite
NPRM	10/00/99	
NPRM Comment Period End	12/00/99	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: James L. Beller, Attorney, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 20005-4026
Phone: 202 326-4024
TDD: 800 877-8339
Fax: 202 326-4112

RIN: 1212-AA84

3882. LUMP SUM PAYMENT ASSUMPTIONS

Priority: Substantive, Nonsignificant

Legal Authority: 29 USC 1302; 29 USC 1322; 29 USC 1341; 29 USC 1344; 29 USC 1362; 29 USC 1301(a)

CFR Citation: 29 CFR 4022; 29 CFR 4044

Legal Deadline: None

Abstract: The PBGC is considering: (1) Discontinuing use of its existing lump sum assumptions for payment purposes and replacing them with a modified version of its existing annuity assumptions, effective sometime after December 2000, and (2) discontinuing calculation and publication of its existing lump sum interest rates at, or sometime after, the time the PBGC discontinues their use.

Timetable:

Action	Date	FR Cite
Notice of Intent to Propose Rulemaking	10/26/98	63 FR 57228
NIPR Comment Period End	12/28/98	
NPRM	06/00/99	
NPRM Comment Period End	08/00/99	

Regulatory Flexibility Analysis

Required: Undetermined

Government Levels Affected: None

Agency Contact: James L. Beller, Attorney, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 20005-4026
Phone: 202 326-4024
TDD: 800 877-8339
Fax: 202 326-4112

RIN: 1212-AA92

3883. • PAYMENT OF PREMIUMS

Priority: Substantive, Nonsignificant

Reinventing Government: This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

Legal Authority: 29 USC 1302(b)(3); 29 USC 1303(a); 29 USC 1306; 29 USC 1307

CFR Citation: 29 CFR 4007

Legal Deadline: None

Abstract: The PBGC is proposing to amend its regulation on Payment of Premiums to encourage self-correction of premium underpayments. The amendments make it easier to qualify for "safe-harbor" relief from late payment penalty charges and codify the PBGC's current premium penalty policy (under which the penalty charge is lowered from 5 percent per month to 1 percent per month if a premium payor corrects an underpayment before PBGC notification).

Timetable:

Action	Date	FR Cite
NPRM	04/00/99	
NPRM Comment Period End	06/00/99	

Regulatory Flexibility Analysis

Required: No

Government Levels Affected: None

Agency Contact: Catherine B. Klion, Attorney, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street NW., Washington, DC 20005-4026
Phone: 202 326-4024
TDD: 800 877-8339
Fax: 202 326-4112

RIN: 1212-AA94

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Final Rule Stage

3884. VALUATION OF BENEFITS; USE OF SINGLE SET OF ASSUMPTIONS FOR ALL BENEFITS**Priority:** Substantive, Nonsignificant**Reinventing Government:** This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.**Legal Authority:** 29 USC 1301(a); 29 USC 1302; 29 USC 1322; 29 USC 1341; 29 USC 1344; 29 USC 1350; 29 USC 1362**CFR Citation:** 29 CFR 4022; 29 CFR 4044; 29 CFR 4050; 29 CFR 4281**Legal Deadline:** None**Abstract:** The Pension Benefit Guaranty Corporation is proposing to amend its regulations to provide for the use of a single set of valuation assumptions -- those currently used by the PBGC to value benefits to be paid as annuities -- for purposes of allocating assets to benefits under section 4044 of ERISA.**Timetable:**

Action	Date	FR Cite
NPRM	10/26/98	63 FR 57229
NPRM Comment Period End	12/28/98	
Final Action	06/00/99	
Final Action Effective	08/00/99	

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** James L. Beller, Attorney, Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street NW., Washington, DC 2005-4024
Phone: 202 326-4024

TDD: 800 877-8339

Fax: 202 326-4112

RIN: 1212-AA91

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Long-Term Actions

3885. PAYMENT OF PREMIUMS**Priority:** Other Significant**Reinventing Government:** This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.**CFR Citation:** 29 CFR 4006; 29 CFR 4007**Timetable:**

Action	Date	FR Cite
NPRM	04/10/92	57 FR 12666
NPRM Comment Period End	05/26/92	
NPRM Comment Period Extended to 11/16/92	09/17/92	57 FR 42910
Final Action Extending Premium Due Dates	12/14/98	63 FR 68684

Action	Date	FR Cite
Final Action Extending Premium Due Dates Effective	02/12/99	
Final Action	To Be Determined	
Final Action Effective	To Be Determined	

Regulatory Flexibility Analysis Required: No**Government Levels Affected:** None**Agency Contact:** Deborah Murphy
Phone: 202 326-4024
TDD: 800 877-8339
Fax: 202 326-4112**RIN:** 1212-AA58**3886. MISCELLANEOUS STATUTORY AMENDMENTS****Priority:** Substantive, Nonsignificant**Reinventing Government:** This rulemaking is part of the Reinventing

Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

CFR Citation: 29 CFR 4000 et seq**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None**Agency Contact:** Marc L. Jordan
Phone: 202 326-4024
TDD: 800 877-8339
Fax: 202 326-4112**RIN:** 1212-AA79

[FR Doc. 99-5648 Filed 04-23-99; 8:45 am]

BILLING CODE 7708-01-F