



Federal Register

**Monday,
April 24, 2000**

Part XXXIX

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

Pension Benefit Guaranty Corporation—Prerule Stage

Sequence Number	Title	Regulation Identification Number
3789	Premium Self-Audit	1212-AA93
3790	Cash Balance Plans With Variable Indices	1212-AA96

Pension Benefit Guaranty Corporation—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
3791	Filing Rules	1212-AA89
3792	Payment of Benefits in PBGC-Trusteed Plans	1212-AA35
3793	Allocation of Assets in Single-Employer Plans; Valuation of Benefits and Assets	1212-AA55
3794	Assessment Of and Relief From Penalties	1212-AA95

Pension Benefit Guaranty Corporation—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
3795	Payment of Premiums	1212-AA58
3796	Calculation and Payment of Unfunded Nonguaranteed Benefits	1212-AA54
3797	Miscellaneous Statutory Amendments	1212-AA79
3798	Treatment of Substantial Cessation of Operations	1212-AA84

Pension Benefit Guaranty Corporation—Completed Actions

Sequence Number	Title	Regulation Identification Number
3799	Valuation of Benefits; Use of Single Set of Assumptions for All Benefits	1212-AA91
3800	Lump Sum Payment Assumptions	1212-AA92
3801	Payment of Premiums	1212-AA94

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Prerule Stage

3789. 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
Request for Comments	12/00/00	
Comment Period End	02/00/01	

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

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RIN: 1212-AA93**3790. • CASH BALANCE PLANS WITH VARIABLE INDICES****Priority:** Substantive, Nonsignificant**Legal Authority:** 29 USC 1301 et seq**CFR Citation:** Not Yet Determined**Legal Deadline:** None

Abstract: Many cash balance plans use variable indices to determine future retirement benefits. When such a plan terminates in a distress or involuntary termination, the PBGC must make a number of determinations that require

it to project future retirement benefit amounts. To do so, the PBGC must make assumptions about the future performance of the variable index. The PBGC is soliciting public comment on what assumptions it should make.

Timetable:

Action	Date	FR Cite
Request for Comments	06/00/00	
Comment Period End	08/00/00	

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

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RIN: 1212-AA96

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Proposed Rule Stage

3791. 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	10/00/00	

Action	Date	FR Cite
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NPRM Comment
Period End

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

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RIN: 1212-AA89**3792. 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	07/00/00	
NPRM Comment Period End	09/00/00	

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

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RIN: 1212-AA35

PBGC

Proposed Rule Stage

3793. 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
ANPRM	03/19/97	62 FR 12982
ANPRM Comment Period End	05/19/97	
NPRM	11/00/00	
NPRM Comment Period End	01/00/01	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 1212-AA55

3794. ASSESSMENT OF AND RELIEF FROM PENALTIES

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: 28 USC 2461 note; 29 USC 1302(b)(3); 29 USC 1303(a); 29 USC 1306; 29 USC 1307; 29 USC 1371

CFR Citation: 29 CFR 4003; 29 CFR 4007; 29 CFR 4071

Legal Deadline: None

Abstract: The PBGC has issued a number of policy statements about penalties over the last few years. For the convenience of the public, the PBGC proposes to replace those policy statements with an updated set of penalty policies codified in its regulations.

Timetable:

Action	Date	FR Cite
NPRM	06/00/00	
NPRM Comment Period End	08/00/00	

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

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RIN: 1212-AA95

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Long-Term Actions

3795. PAYMENT OF PREMIUMS

Priority: Other Significant

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

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 1212-AA58

3796. CALCULATION AND PAYMENT OF UNFUNDED NONGUARANTEED BENEFITS

Priority: Other Significant

CFR Citation: 29 CFR 4022 subpart C

Timetable: Next Action Undetermined

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Peter H. Gould
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RIN: 1212-AA54

3797. MISCELLANEOUS STATUTORY AMENDMENTS

Priority: Substantive, Nonsignificant

CFR Citation: 29 CFR 4000 et seq

Timetable: Next Action Undetermined

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Agency Contact: Thomas H. Gabriel
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RIN: 1212-AA79

3798. TREATMENT OF SUBSTANTIAL CESSATION OF OPERATIONS

Priority: Substantive, Nonsignificant

CFR Citation: 29 CFR 4062

Timetable: Next Action Undetermined

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 1212-AA84

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Completed Actions

3799. 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 amending 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	03/17/00	65 FR 14752

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 20005-4026
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TDD Phone: 800 877-8339
Fax: 202 326-4112**RIN:** 1212-AA91**3800. 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 delinking the lump sum interest rates it uses for PBGC payments from those used for private-sector payments. The PBGC intends to make available indefinitely the PBGC rates based on the current rate-setting methodology (or a surrogate for those rates). However, the PBGC may in the future change the way it sets the rates it uses for its own payments.**Timetable:**

Action	Date	FR Cite
Notice of Intent to Propose Rulemaking	10/26/98	63 FR 57228
NIPR Comment Period End	12/28/98	
Final Action	03/17/00	65 FR 14753
Final Action Effective	05/01/00	

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 Phone: 800 877-8339
Fax: 202 326-4112**RIN:** 1212-AA92**3801. 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 amending 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	04/27/99	64 FR 22589
NPRM Comment Period End	06/28/99	
Final Action	11/26/99	64 FR 66383
Final Action Effective	12/27/99	

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 20005-4024
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