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Monday,  
November 22, 1999

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Part XLI

**Pension Benefit  
Guaranty  
Corporation**

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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. This edition of the Unified Agenda of Federal Regulatory and Deregulatory Actions includes The Regulatory Plan, which appears in part II of this issue of the **Federal Register**. The Pension Benefit Guaranty Corporation's Statement of Regulatory Priorities is included in part II.

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

Prerule Stage

Sequence Number	Title	Regulation Identification Number
4043	Premium Self-Audit .....	1212-AA93

Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
4044	Filing Rules .....	1212-AA89
4045	Payment of Benefits in PBGC-Trusteed Plans .....	1212-AA35
4046	Allocation of Assets in Single-Employer Plans; Valuation of Benefits and Assets ( <b>Reg Plan Seq No. 146</b> ) .....	1212-AA55
4047	Lump Sum Payment Assumptions .....	1212-AA92
4048	Assessment of and Relief from Penalties .....	1212-AA95

References in boldface appear in the Regulatory Plan in Part II of this issue of the **Federal Register**.

Final Rule Stage

Sequence Number	Title	Regulation Identification Number
4049	Valuation of Benefits; Use of Single Set of Assumptions for All Benefits .....	1212-AA91
4050	Payment of Premiums .....	1212-AA94

Long-Term Actions

Sequence Number	Title	Regulation Identification Number
4051	Payment of Premiums .....	1212-AA58

**PBGC**

Long-Term Actions (Continued)

Sequence Number	Title	Regulation Identification Number
4052	Calculation and Payment of Unfunded Nonguaranteed Benefits .....	1212-AA54
4053	Miscellaneous Statutory Amendments .....	1212-AA79
4054	Treatment of Substantial Cessation of Operations .....	1212-AA84

**Pension Benefit Guaranty Corporation (PBGC)**

**Prerule Stage**

**4043. 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	03/00/00	
ANPRM Comment	05/00/00	
Period End		

**Regulatory Flexibility Analysis Required:** Undetermined

**Small Entities Affected:** No

**Government Levels Affected:** None

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**RIN:** 1212-AA93

**Pension Benefit Guaranty Corporation (PBGC)**

**Proposed Rule Stage**

**4044. 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	03/00/00	

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

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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**RIN:** 1212-AA89

**4045. 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	04/00/00	
NPRM Comment	06/00/00	
Period End		

**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  
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**RIN:** 1212-AA35

## PBGC

## Proposed Rule Stage

**4046. ALLOCATION OF ASSETS IN SINGLE-EMPLOYER PLANS; VALUATION OF BENEFITS AND ASSETS**

**Regulatory Plan:** This entry is Seq. No. 146 in Part II of this issue of the **Federal Register**.

**RIN:** 1212-AA55

**4047. 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 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	
NPRM	12/00/99	
NPRM Comment Period End	02/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** None

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**RIN:** 1212-AA92

**4048. • 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	01/00/00	
NPRM Comment Period End	03/00/00	

**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)

## Final Rule Stage

**4049. 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	12/00/99	
Final Action Effective	01/00/00	

**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

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**RIN:** 1212-AA91

**4050. 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

## PBGC

## Final Rule Stage

**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	04/27/99	64 FR 22589
NPRM Comment Period End	06/28/99	
Final Action	11/00/99	
Final Action Effective	12/00/99	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

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**RIN:** 1212-AA94

## Pension Benefit Guaranty Corporation (PBGC)

## Long-Term Actions

**4051. 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

**Agency Contact:** Deborah C. Murphy  
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**RIN:** 1212-AA58**4052. 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**4053. 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**4054. 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

**Agency Contact:** James L. Beller  
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**RIN:** 1212-AA84

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