
AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: The Pension Benefit Guaranty Corporation’s regulations prescribe actuarial assumptions—including interest assumptions—for valuing and paying plan benefits of terminating single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974. The interest assumptions are intended to reflect current conditions in the financial and annuity markets.

Three sets of interest assumptions are prescribed: (1) A set for the valuation of benefits for allocation purposes under section 4044 (found in Appendix B to Part 4044), (2) a set for the PBGC to use to determine whether a benefit is payable as a lump sum and to determine lump-sum amounts to be paid by the PBGC (found in Appendix B to Part 4022), and (3) a set for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using the PBGC’s historical methodology for valuation dates during February 2005.

For valuation of benefits for allocation purposes, the interest assumptions that the PBGC will use (set forth in Appendix B to part 4044) will be 4.00 percent for the first 20 years following the valuation date and 4.75 percent thereafter. These interest assumptions represent a decrease (from those in effect for January 2005) of 0.10 percent for the first 20 years following the valuation date and are otherwise unchanged.

The interest assumptions that the PBGC will use for its own lump-sum payments (set forth in Appendix B to part 4082) will be 3.00 percent for the period during which a benefit is in pay status and 4.00 percent during any years preceding the benefit’s placement in pay status. These interest assumptions are unchanged from those in effect for January 2005.

For private-sector payments, the interest assumptions (set forth in Appendix C to part 4022) will be the same as those used by the PBGC for determining and paying lump sums (set forth in Appendix B to part 4022).

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 and payment of benefits in plans with valuation dates during February 2005, 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

29 CFR Part 4022

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

29 CFR Part 4044

Employee benefit plans, Pension insurance, Pensions.

In consideration of the foregoing, 29 CFR parts 4022 and 4044 are amended as follows:

PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS

1. The authority citation for part 4022 continues to read as follows:

Authority: 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

2. In appendix B to part 4022, Rate Set 136, as set forth below, is added to the table. (The introductory text of the table is omitted.)

Appendix B to Part 4022—Lump Sum Interest Rates For PBGC Payments

<table>
<thead>
<tr>
<th>Rate set</th>
<th>For plans with a valuation date</th>
<th>Immediate annuity rate (percent)</th>
<th>Deferred annuities (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On or after</td>
<td>Before</td>
<td>$i^1$</td>
</tr>
<tr>
<td>136</td>
<td>2–1–05</td>
<td>3–1–05</td>
<td>3.00</td>
</tr>
</tbody>
</table>

3. In appendix C to part 4022, Rate Set 136, as set forth below, is added to the table. (The introductory text of the table is omitted.)

Appendix C to Part 4022—Lump Sum Interest Rates For Private-Sector Payments

<table>
<thead>
<tr>
<th>Rate set</th>
<th>For plans with a valuation date</th>
<th>Immediate annuity rate (percent)</th>
<th>Deferred annuities (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On or after</td>
<td>Before</td>
<td>$i^1$</td>
</tr>
<tr>
<td>136</td>
<td>2–1–05</td>
<td>3–1–05</td>
<td>3.00</td>
</tr>
</tbody>
</table>

PART 4044—ALLOCATION OF ASSETS IN SINGLE-EMPLOYER PLANS

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

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

5. In appendix B to part 4044, a new entry, as set forth below, is added to the table. (The introductory text of the table is omitted.)

Appendix B to Part 4044—Interest Rates Used to Value Benefits

<table>
<thead>
<tr>
<th>For valuation dates occurring in the month—</th>
<th>$i$ for $t = 1$</th>
<th>$i$ for $t = 1$</th>
<th>$i$ for $t = 1$</th>
<th>$i$ for $t = 1$</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td>.0400</td>
<td>1–20</td>
<td>.0475</td>
<td>&gt;20</td>
</tr>
</tbody>
</table>

February 2005 ..............................................................
DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[CGD08–05–005]

RIN 1625–AA09

Drawbridge Operation Regulations; Upper Mississippi River, Dubuque, IA

AGENCY: Coast Guard, DHS.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, Eighth Coast Guard District, has issued a temporary deviation from the regulation governing the operation of the Illinois Central Railroad Drawbridge, across the Upper Mississippi River, mile 579.9 at Dubuque, Iowa. This deviation allows the drawbridge to remain closed to navigation unless at least 12 hours advance notice is given for an opening from 6 a.m., January 17, 2005, until 6 p.m., February 28, 2005. The drawbridge will open during this time period upon 12 hours advance notice. There are no alternate routes for vessels transiting through mile 579.9 on the Upper Mississippi River.

The Illinois Central Railroad Drawbridge provides a vertical clearance of 19.9 feet above normal pool. Navigation on the waterway consists primarily of commercial tows and recreational watercraft. This deviation has been coordinated with waterway users. No obstructions were received.

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: January 7, 2005.

Roger K. Wiebusch,
Bridge Administrator.

FOR FURTHER INFORMATION CONTACT: John McDonald, Project Officer, First Coast Guard District, at (617) 223–8364.

SUPPLEMENTARY INFORMATION: The Essex Merrimack Bridge, at mile 5.8, across the Merrimack River, has a vertical clearance of 15 feet at mean high water, and 22 feet at mean low water in the closed position. The existing regulations are listed at 33 CFR 117.605(c).

The bridge owner, Massachusetts Highway Department, requested a temporary deviation from the drawbridge operating regulations to facilitate necessary structural repairs to the balance wheels at the bridge.

This deviation to the operating regulations allows the bridge to remain in the closed position from January 22, 2005 through February 3, 2005.

This deviation from the operating regulations is authorized under 33 CFR 117.35 and will be performed with all due speed in order to return the bridge to normal operation as soon as possible.

Dated: January 7, 2005.

Gary Kasoff,
Bridge Program Manager, First Coast Guard District.

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[CGD08–05–006]

RIN 1625–AA09

Drawbridge Operation Regulations; Upper Mississippi River, Fort Madison, IA and Burlington, IA

AGENCY: Coast Guard, DHS.

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 Essex Merrimack Bridge, mile 5.8, across the Merrimack River, at Newburyport, Massachusetts. This deviation allows the bridge to remain in the closed position from January 22, 2005 through February 3, 2005. This temporary deviation is necessary to facilitate structural repairs at the bridge.

Dated: This deviation is effective from January 22, 2005 through February 3, 2005.

FOR FURTHER INFORMATION CONTACT: John McDonald, Project Officer, First Coast Guard District, at (617) 223–8364.

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Gary Kasoff,
Bridge Program Manager, First Coast Guard District.