PENSION BENEFIT GUARANTY CORPORATION

29 CFR Parts 4022 and 4044


AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: The Pension Benefit Guaranty Corporation’s regulations on Benefits Payable in Terminated Single-Employer Plans and Allocation of Assets in Single-Employer Plans prescribe interest assumptions for valuing and paying benefits under terminating single-employer plans. This final rule amends the regulations to adopt 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 (found in Appendix C to Part 4022).

This amendment (1) adds to Appendix B to Part 4044 the interest assumptions for valuing benefits for allocation purposes in plans with valuation dates during July 2008, (2) adds to Appendix B to Part 4022 the interest assumptions for the PBGC to use for its own lump-sum payments in plans with valuation dates during July 2008, and (3) adds to Appendix C to Part 4022 the interest assumptions 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 July 2008.

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 5.95 percent for the first 20 years following the valuation date and 5.02 percent thereafter. These interest assumptions represent an increase from those in effect for June 2008 of 0.25 percent in the immediate annuity rate and are otherwise unchanged. 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 current market conditions as accurately as possible.

Because of the need to provide immediate guidance for the valuation and payment of benefits in plans with valuation dates during July 2008, 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 177, as set forth below, is added to the table.

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

* * * * *
33696 Federal Register / Vol. 73, No. 115 / Friday, June 13, 2008 / Rules and Regulations

<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 Before</td>
<td>$i_1$</td>
<td>$i_2$</td>
</tr>
<tr>
<td>177</td>
<td>07–1–08 08–1–08</td>
<td>3.50</td>
<td>4.00</td>
</tr>
</tbody>
</table>

3. In appendix C to part 4022, Rate Set 177, as set forth below, is added to the table.

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

<table>
<thead>
<tr>
<th>Rate set</th>
<th>On or after Before</th>
<th>Immediate annuity rate (percent)</th>
<th>Deferred annuities (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>177</td>
<td>07–1–08 08–1–08</td>
<td>3.50</td>
<td>4.00</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 for July 2008, as set forth below, is added to the table.

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

<table>
<thead>
<tr>
<th>For valuation dates occurring in the month</th>
<th>The values of $i$ are:</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2008</td>
<td>$i$ for $t = 1–20$</td>
</tr>
</tbody>
</table>

Issued in Washington, DC, on this 9th day of June 2008.

Vincent K. Snowbarger,
Deputy Director for Operations, Pension Benefit Guaranty Corporation.

[FR Doc. E8–13229 Filed 6–12–08; 8:45 am]
BILLING CODE 7109–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[RO4–OAR–2007–0532–200810(c); FRL–8579–6]

Approval and promulgation of Implementation Plans; Alabama; Prevention of Significant Deterioration and Nonattainment New Source Review; Correction

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule; correction.

SUMMARY: On May 1, 2008, EPA published a document approving revisions to the Alabama State Implementation Plan (SIP) concerning Alabama’s Prevention of Significant Deterioration (PSD) program. That document included one paragraph containing an inadvertent error in its characterization of a portion of EPA’s New Source Review (NSR) rules. This document corrects that inadvertent error.

DATES: This action is effective June 13, 2008.

FOR FURTHER INFORMATION CONTACT: For information regarding the Alabama State Implementation Plan, contact Ms. Stacy Harder, Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, Georgia 30303–8960. The telephone number is (404) 562–9042. Ms. Harder can also be reached via electronic mail at harder.stacy@epa.gov.

SUPPLEMENTARY INFORMATION: EPA is making a correction to the document published on May 1, 2008 (73 FR 23957), approving revisions to Alabama’s SIP incorporating rule changes to Alabama’s PSD program. As part of the background information provided in the May 1, 2008, document, EPA made an inadvertent misstatement on page 23958, column 1, first full paragraph. This paragraph begins with the phrase, “The ‘reasonable possibility’ standard identifies, for sources and reviewing authorities * * *” and ends with the phrase, “the reasonable possibility standard did not result in any actual changes to the corresponding federal rule.” 73 FR 23958. This last quoted statement does not correctly describe EPA’s recent revisions to its NSR rules regarding the meaning of the term “reasonable possibility” in those rules. EPA’s final action regarding “reasonable possibility” did result in changes to federal rules found at 40 CFR 23957.

For valuation dates occurring in the month—

July 2008 ................................................................. .0595 1–20 .0502 ≤20 N/A N/A