

Appendix to Part 4022—Maximum Guaranteeable Monthly Benefit

The following table lists by year the maximum guaranteeable monthly benefit payable in the form of a life annuity commencing at age 65 as described by § 4022.22(b) to a participant in a plan that terminated in that year:

| Year | Maximum guaranteeable monthly benefit |
|------------|---------------------------------------|
| * | * |
| 1999 | 3,051.14 |

PART 4011—DISCLOSURE TO PARTICIPANTS

3. The authority citation for Part 4011 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1311.

4. Appendix B to part 4011 is amended by adding a new entry to the table to read as follows. The introductory text is reproduced for the convenience of the reader and remains unchanged.

APPENDIX B TO PART 4011.—TABLE OF MAXIMUM GUARANTEED BENEFITS

| The maximum guaranteed benefit for an individual starting to receive benefits at the age listed below is the amount (monthly or annual) listed below: | | | | | | | | |
|---|------------|-------------|------------|-------------|------------|-------------|------------|-------------|
| If a plan terminates in— | Age 65 | | Age 62 | | Age 60 | | Age 55 | |
| | Monthly | Annual | Monthly | Annual | Monthly | Annual | Monthly | Annual |
| 1999 | \$3,051.14 | \$36,613.68 | \$2,410.40 | \$28,924.80 | \$1,983.24 | \$23,798.88 | \$1,373.01 | \$16,476.12 |

Issued in Washington, D.C., this 5th day of November, 1998.

David M. Strauss,

Executive Director, Pension Benefit Guaranty Corporation.

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PENSION BENEFIT GUARANTY CORPORATION**29 CFR Part 4044****Allocation of Assets in Single-Employer Plans; Valuation of Benefits and Assets; Expected Retirement Age**

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This rule amends the Pension Benefit Guaranty Corporation's regulation on Allocation of Assets in Single-Employer Plans by substituting new Table I-99 in place of existing Table I-98 in appendix D. Table I-99 applies to any plan being terminated either in a distress termination or involuntarily by the PBGC with a valuation date falling in 1999, and is used to determine expected retirement ages for plan participants. This table is needed in order to compute the value of early retirement benefits and, thus, the total value of benefits under the plan.

EFFECTIVE DATE: January 1, 1999.

FOR FURTHER INFORMATION CONTACT:

Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC

20005-4026; 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.)

SUPPLEMENTARY INFORMATION: The PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044) sets forth (in subpart B) the methods for valuing plan benefits of terminating single-employer plans covered under Title IV of the Employee Retirement Income Security Act of 1974. Under ERISA section 4041(c), guaranteed benefits and benefit liabilities under a plan that is undergoing a distress termination must be valued in accordance with part 4044, subpart B. In addition, when the PBGC terminates an underfunded plan involuntarily pursuant to ERISA Section 4042(a), it uses the subpart B valuation rules to determine the amount of the plan's underfunding.

Under § 4044.51(b), early retirement benefits are valued based on the annuity starting date, if a retirement date has been selected, or the expected retirement age, if the annuity starting date is not known on the valuation date. Sections 4044.55 through 4044.57 set forth rules for determining the expected retirement ages for plan participants entitled to early retirement benefits. Appendix D of part 4044 contains tables to be used in determining the expected early retirement ages.

Table I in appendix D (Selection of Retirement Rate Category) is used to determine whether a participant has a low, medium, or high probability of retiring early. The determination is based on the year a participant would

reach "unreduced retirement age" (i.e., the earlier of the normal retirement age or the age at which an unreduced benefit is first payable) and the participant's monthly benefit at unreduced retirement age. The table applies only to plans with valuation dates in the current year and is updated annually by the PBGC to reflect changes in the cost of living, etc.

Tables II-A, II-B, and II-C (Expected Retirement Ages for Individuals in the Low, Medium, and High Categories respectively) are used to determine the expected retirement age after the probability of early retirement has been determined using Table I. These tables establish, by probability category, the expected retirement age based on both the earliest age a participant could retire under the plan and the unreduced retirement age. This expected retirement age is used to compute the value of the early retirement benefit and, thus, the total value of benefits under the plan.

This document amends appendix D to replace Table I-98 with Table I-99 in order to provide an updated correlation, appropriate for calendar year 1999, between the amount of a participant's benefit and the probability that the participant will elect early retirement. Table I-99 will be used to value benefits in plans with valuation dates during calendar year 1999.

The PBGC has determined that notice of and public comment on this rule are impracticable and contrary to the public interest. Plan administrators need to be able to estimate accurately the value of plan benefits as early as possible before initiating the termination process. For

that purpose, if a plan has a valuation date in 1999, the plan administrator needs the updated table being promulgated in this rule. Accordingly, the public interest is best served by issuing this table expeditiously, without an opportunity for notice and comment, to allow as much time as possible to estimate the value of plan benefits with the proper table for plans with valuation dates in early 1999.

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 regulation, the Regulatory Flexibility Act of 1980 does not apply (5 U.S.C. 601(2)).

List of Subjects in 29 CFR Part 4044

Pension insurance, Pensions.

In consideration of the foregoing, 29 CFR part 4044 is amended as follows:

PART 4044—[AMENDED]

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

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

2. Appendix D to part 4044 is amended by removing Table I-98 and adding in its place Table I-99 to read as follows:

Appendix D to Part 4044—Tables Used To Determine Expected Retirement Age

TABLE I-99—SELECTION OF RETIREMENT RATE CATEGORY

[For Plans with valuation dates after December 31, 1998, and before January 1, 2000]

| Participant reaches URA in year— | Participant's retirement rate category is— | | | |
|----------------------------------|--|--|-------|--|
| | Low ¹ if monthly benefit at URA is less than— | Medium ² if monthly benefit at URA is | | High ³ if monthly benefit at URA is greater than— |
| | | From | To | |
| 2000 | 423 | 423 | 1,784 | 1,784 |
| 2001 | 433 | 433 | 1,825 | 1,825 |
| 2002 | 443 | 443 | 1,867 | 1,867 |
| 2003 | 453 | 453 | 1,910 | 1,910 |
| 2004 | 464 | 464 | 1,954 | 1,954 |
| 2005 | 474 | 474 | 1,999 | 1,999 |
| 2006 | 485 | 485 | 2,045 | 2,045 |
| 2007 | 496 | 496 | 2,092 | 2,092 |
| 2008 | 508 | 508 | 2,140 | 2,140 |
| 2009 or later | 519 | 519 | 2,189 | 2,189 |

¹ Table II-A.

² Table II-B.

³ Table II-C.

* * * * *

Issued in Washington, D.C., this 5th day of November, 1998.

David M. Strauss,

Executive Director, Pension Benefit Guaranty Corporation.

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DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD01-98-156]

Drawbridge Operation Regulations: Harlem River, NY

AGENCY: Coast Guard, DOT.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The District Commander, First Coast Guard District has issued a temporary deviation from the regulations listed under 33 CFR 117.789, governing the operation of the Broadway Bridge, mile 6.8, across the

Harlem River in New York City. This deviation allows the bridge owner, the New York City Department of Transportation (NYCDOT), to keep the bridge in the closed position from October 21, 1998 to November 30, 1998, to facilitate repairs. Vessels which can pass under the bridge without a bridge opening may do so at any time.

DATES: This deviation is effective from October 21, 1998 through November 30, 1998.

FOR FURTHER INFORMATION CONTACT:

Ms. Judy Yee, Project Manager, Bridge Branch at (212) 668-7165.

SUPPLEMENTARY INFORMATION: The Broadway Bridge, mile 6.8, over the Harlem River has a vertical clearance of 24 feet at mean high water (MHW) and 29 feet at mean low water (MLW) in the closed position.

The City of New York requested a temporary deviation from the operating regulations for the Broadway Bridge because the bridge is presently unable to open as a result of a start up transformer and contacts failure. The parts necessary to perform the repairs are no longer stock items and must be custom

manufactured from specifications. Vessels that can pass under the bridge without an opening may do so at all times during this closed period.

This deviation to the operating regulations will allow the bridge to remain in the closed position from October 21, 1998 to November 30, 1998. This deviation from the normal operating regulations is authorized under 33 CFR 117.35.

Dated: October 27, 1998.

R.M. Larrabee,

Rear Admiral, U.S. Coast Guard, Commander, First Coast Guard District.

[FR Doc. 98-30209 Filed 11-10-98; 8:45 am]

BILLING CODE 4910-15-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD 08-98-070]

Drawbridge Operating Regulation; Gulf Intracoastal Waterway, TX

AGENCY: Coast Guard, DOT.