the PBGC publishes its interest assumptions each month regardless of whether they represent a change from the previous month's assumptions. The assumptions normally will be published in the **Federal Register** by the 15th of the preceding month or as close to that date as circumstances permit.

The PBGC has determined that notice and public comment on these amendments are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest rates and factors promptly so that the rates and factors can reflect, as accurately as possible, current market conditions.

Because of the need to provide immediate guidance for the valuation of benefits in single-employer plans whose termination dates fall during September 1995, and in multiemployer plans that have undergone mass withdrawal and have valuation dates during September 1995, the PBGC finds that good cause exists for making the rates and factors 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 it will not have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a spector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; materially alter the

budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles 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 2619

Employee benefit plans, Pension insurance, and Pensions.

29 CFR Part 2676

Employee benefit plans and Pensions.

In consideration of the foregoing, parts 2619 and 2676 of chapter XXVI, title 29, Code of Federal Regulations, are hereby amended as follows:

## PART 2619—[AMENDED]

1. The authority citation for part 2619 continues to read as follows:

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

2. In appendix B, Rate Set 23 is added to Table I, and a new entry is added to Table II, as set forth below. The introductory text of both tables is republished for the convenience of the reader and remains unchanged.

## Appendix B to Part 2619—Interest Rates Used To Value Lump Sums and Annuities

Lump Sum Valuations

In determining the value of interest factors of the form  $v^{0:n}$  (as defined in § 2619.49(b)(1)) for purposes of applying the formulas set forth in § 2619.49 (b) through (i) and in determining the value of any interest factor used in valuing benefits under this subpart to be paid as lump sums (including the return of accumulated employee contributions upon death), the PBGC shall employ the value of  $i_t$  set out in Table I hereof as follows:

- (1) For benefits for which the participant or beneficiary is entitled to be in pay status on the valuation date, the immediate annuity rate shall apply.
- (2) For benefits for which the deferral period is y years (y is an integer and  $0 < y \le n_I$ ), interest rate  $i_I$  shall apply from the valuation date for a period of y years; thereafter the immediate annuity rate shall apply.
- (3) For benefits for which the deferral period is y years (y is an integer and  $n_I$   $y < n_I + n_2$ ), interest rate  $i_2$  shall apply from the valuation date for a period of  $y n_I$  years, interest rate  $i_I$  shall apply for the following  $n_I$  years; thereafter the immediate annuity rate shall apply.
- (4) For benefits for which the deferral period is y years (y is an integer and  $\langle y \leq n_I + n_2 \rangle$ , interest rate  $i_3$  shall apply from the valuation date for a period of  $y n_I n_2$  years, interest rate  $i_2$  shall apply for the following  $n_2$  years, interest rate  $i_I$  shall apply for the following  $n_I$  years; thereafter the immediate annuity rate shall apply.

TABLE I
[Lump sum valuations]

| Rate set |   | For plans with a valu-<br>ation date |         | Imme-<br>diate an-      | Deferred annuities (percent) |                |                |       |                       |
|----------|---|--------------------------------------|---------|-------------------------|------------------------------|----------------|----------------|-------|-----------------------|
|          |   | On or after                          | Before  | nuity rate<br>(percent) | i <sub>1</sub>               | i <sub>2</sub> | i <sub>3</sub> | $n_I$ | <b>n</b> <sub>2</sub> |
| *        | * | *                                    | *       |                         | *                            |                | *              |       | *                     |
| 23       |   | 9–1–95                               | 10–1–95 | 5.00                    | 4.25                         | 4.00           | 4.00           | 7     | 8                     |

## Annuity Valuations

In determining the value of interest factors of the form  $V^{0:n}$  (as defined in § 2619.49(b)(1)) for purposes of applying the formulas set forth in § 2619.49 (b) through (i) and in determining the value of any interest factor used in valuing

annuity benefits under this subpart, the plan administrator shall use the values of  $i_t$  prescribed in Table II hereof.

The following table tabulates, for each calendar month of valuation ending after the effective date of this part, the interest rates (denoted by  $i_I$ ,  $i_2$ , \* \* \*, and referred to generally as  $i_I$ ) assumed

to be in effect between specified anniversaries of a valuation date that occurs within that calendar month; those anniversaries are specified in the columns adjacent to the rates. The last listed rate is assumed to be in effect after the last listed anniversary date.