exempted the following financial interests of its employees from the requirements of 18 U.S.C. 208(a) upon the ground that such interests are too remote or too inconsequential to affect the integrity of such employees' services. When any of the following exemptions applies only to a limited range of official actions, rather than all official acts, the range of actions will be specified within the language of the exemption.

(1) An investment in a business enterprise in the form of ownership of bonds, notes, and other evidences of indebtedness which are not convertible into shares of preferred or common stock and have no warrants attached entitling the holder to purchase stock provided that the estimated market value of the interest does not exceed $5,000;

(2) An investment in the form of shares in the ownership of enterprises, including preferred and common stocks whether voting or nonvoting, or warrants to purchase such shares, or evidences of indebtedness convertible into such shares provided that the estimated market value of the interest does not exceed $5,000 and does not exceed 1 percent of the estimated market value of all the outstanding shares of the enterprise;

(3) Shares or investments in a well-diversified money market or mutual fund;

(4) Vested interests in a pension fund arising out of former employment and to which no further contributions are being made in the employee's behalf, provided that, if the pension plan is a defined benefit plan, the assets of the plan are diversified. For the purpose of this provision, payments are not considered to be made "in the employee's behalf" if they are made solely to maintain adequate plan funding rather than to provide specific benefits for the employee; or

(5) The interest an employee has by virtue of his or her personal or family use of electric power or through his or her interests in an organization using electric power generated or distributed by TVA, for purposes of his or her official actions at TVA in the process of developing or approving TVA power rate schedules.

§ 1300.735-41b [Amended]

4. Section 1300.735-41b is amended by changing the reference "1301.4" to read "1300.735-14(c)."

§ 1300.735-43 [Amended]

5. Section 1300.735-43 is amended by changing the reference "1301.4" to read "1300.735-14(c)."

§ 1300.735-49 [Amended]

6. Section 1300.735-49 is amended by changing the reference "1301.4" to read "1300.735-14(c)."

PART 1301—PROCEDURES

1. The authority citation for Part 1301 is removed.

2. The authority citation for Subpart A is revised to read as follows:

Authority: 16 U.S.C. 831-831dd, 5 U.S.C. 552.

§ 1301.4 [Removed]

3. Section 1301.4 is removed.

4. The authority citation for Subpart B is revised to read as follows:

Authority: 16 U.S.C. 831-831dd, 5 U.S.C. 552a.

5. The authority citation for Subpart C is revised to read as follows:

Authority: 16 U.S.C. 831-831dd, 5 U.S.C. 552b.

Dated: October 3, 1988.

W.F. Willis,

Executive Vice President and Chief Operating Officer.

[FR Doc. 88-23649 Filed 10-13-88; 8:45 am]

BILLING CODE 8120-01-M

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Parts 19, 112 and 146

[T.D. 88-63]

Customs Regulations Amendments Relating to the Suspension or Revocation of the Rights of a Proprietor To Operate a Bonded Warehouse, the Privilege of Operating a Container Station, a Cartman's or Lighterman's License or the Activated Status of a Foreign Trade Zone and Associated Privileges

AGENCY: U.S. Customs Service, Treasury.

ACTION: Final rule.

SUMMARY: This document amends the Customs Regulations setting forth the conditions under which the rights, privileges or licenses of bonded warehouses, container stations, cartmen, lightermen and Foreign Trade Zone (FTZ) operators can be suspended or revoked. These changes focus on the status of corporate operators or license holders liable to suspensions or revocations because of the conviction of a corporate officer of a felony or misdemeanor if the misdemeanor involves theft, smuggling or a theft-connected crime. The purpose of the changes is to make it clear that resignation of the officer before conviction does not avoid the suspension or revocation jeopardy to the corporate license, rights or privileges.

The changes also no longer limit, where applicable, suspensions or revocations to situations where there is a conviction. In the absence of a conviction, commission of acts constituting a felony, theft, smuggling or theft-related crime, subject to the protections afforded by the administrative procedures applicable, will be sufficient under the changes to warrant suspension or revocation.

EFFECTIVE DATE: November 14, 1988.

FOR FURTHER INFORMATION CONTACT: Currita Waddy, Office of the Chief Counsel, (202) 566-2482.

SUPPLEMENTARY INFORMATION:

Background

Included among the reasons enumerated for suspending or revoking the right of a proprietor to operate a bonded warehouse (19 CFR 19.3(e)(3)), suspending or revoking the privilege of operating a container station (19 CFR 19.48(a)(3)), suspending or revoking the license of a cartman or lighterman (19 CFR 112.30(a)(5)), or suspending the activated status of a Foreign Trade Zone (FTZ), or the privileges of an FTZ user (19 CFR 146.82(a)(3)), is the conviction of a corporate officer of a felony, or conviction of a misdemeanor involving theft, smuggling or a theft-connected crime. However, it has come to the attention of the Customs Service that these provisions have been literally interpreted as precluding suspension or revocation if the offending corporate officer resigns and leaves the corporation before conviction. Customs proposed to clarify the regulations and avoid this interpretation with respect to cartman and lighterman in a notice of proposed rule making published in the **Federal Register** on August 26, 1986 (51 FR 30376). Another notice was published on October 30, 1987 (52 FR 41734), to extend the proposal to the similar reasons for suspensions or revocations applicable to bonded warehouses, container stations and FTZ's, which were subject to the same misinterpretation.

Since commission of the type of offense involved under existing provisions applicable to FTZ operators is sufficient, without a conviction, for a suspension, Customs also proposed making commission of an offense similarly sufficient by itself for suspensions or revocations involving bonded warehouses, container stations, cartmen and lightermen.

A total of three comments were received in response to the proposed amendments.

Analysis of Comments

Two commenters agreed that the existing regulations allow a wrongdoer corporate officer to resign to avoid disciplinary action against their corporation and commended the proposed amendments as closing this loophole.

Another commenter objected to both proposals. First, this commenter stated that they were strongly opposed to the proposed changes as overly broad since the proposed amendments would suspend a right, license or privilege for any felony or misdemeanor involving theft by a corporate officer. This commenter contended that the crime serving as the basis of the disciplinary action should be related to the importation or exportation of goods into or out of the United States or should be connected with the corporate officer's responsibilities with respect to a corporate warehouse proprietor, container station operator, cartman, lighterman or FTZ operator. This commenter also objected to suspension or revocation on the basis of an alleged commission of an illegal act and claimed that such action should be restricted to conviction.

However, Customs does not agree. While the relationship of a crime to importing or exporting or to responsibilities under a bond, privilege or license may be pertinent to the type of disciplinary action proposed, that should not be a controlling consideration. Crimes relating to matters other than the importation or exportation of goods, or to a licensee's responsibilities, are, nevertheless, related to the broader considerations of trust inherent in the entitlement to the rights, privileges or licenses issued by the Customs Service.

Further, we do not agree that disciplinary action should only be based on a conviction rather than the commission of acts constituting a specified offense. Suspensions or revocations are not based on mere allegations, but are subject to the administrative due process procedures provided in the applicable Customs regulations. In those procedures, a finding that a corporate wrongdoer is not guilty in a criminal trial does not bind the Customs Service in an administrative proceeding. Further, in the administrative proceeding, Customs is not determining a criminal penalty, but is making a judgment as to the corporation's fitness to continue under a right, privilege or license originally granted by Customs.

Finally, one commenter expressed concern about the statement in the "Background" section of the **Federal Register** notice that the person's employment status at the time of conviction with respect to the corporate operator or licensee was "unimportant." This commenter stated that this factor is important, but should not be determinative, and that Customs may take into account the fact than an innocent corporation immediately terminated the offending officer upon discovery of the wrongdoing. We agree that employment status is not entirely irrelevant. The decision to suspend or revoke will be make upon consideration of all facts pertinent to a particular case. We regret the misconstruction of our intentions which the language objected to unintentionally may have conveyed to some readers.

For the above reasons, the amendments to the Customs Regulations are adopted as proposed.

Executive Order 12291

This document does not meet the criteria for a "major rule" as specified in E.O. 12291. Accordingly, no regulatory impact has been prepared.

Regulatory Flexibility Act

Pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is certified that the regulation amendments will not have significant impact on a substantial number of small entities. Accordingly, the amendments are not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604.

Drafting Information

The principal author of this document was James C. Hill, Regulations and Disclosure Law Branch, U.S. Customs Service. However, personnel from other offices participated in its development.

List of Subjects

19 CFR Part 19

Customs duties and inspection, Imports, Warehouses.

19 CFR Part 112

Administrative practices and procedures, Customs duties and inspection, Imports.

19 CFR Part 146

Customs duties and inspection, Foreign Trade Zones, Imports.

Amendments to the Regulations

PART 19—CUSTOMS WAREHOUSES, CONTAINER STATIONS AND CONTROL OF MERCHANDISE THEREIN

1. The authority citation for Part 19 continues to read in part as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1624.

* * * § 19.48 also issued under 19 U.S.C. 1499, 1623. * * *

§ 19.3 [Amended]

2. Section 19.3(e)(3) is amended by removing the semicolon, replacing it with a period, and adding the following at the end of the paragraph: "Any change in the employment status of the corporate officer, (e.g., discharge, resignation, demotion, or promotion) prior to conviction of a felony or prior to conviction of a misdemeanor involving theft, smuggling, or a theft-connected crime, resulting from acts committed while a corporate officer, will not preclude application of this provision;"

3. Section 19.48(a)(3) is revised to read as follows:

§ 19.48 Suspension or revocation of the privilege of operating a container station; hearings.

(a) * * *

(3) The container station operator or an officer of a corporation which has been granted the privilege of operating a container station is convicted of or has committed acts which would constitute a felony, or a misdemeanor involving theft, smuggling, or a theft-connected crime. Any change in the employment status of the corporate officer (e.g., discharge, resignation, demotion, or promotion) prior to conviction of a felony or prior to conviction of a misdemeanor involving theft, smuggling, or a theft-connected crime, resulting from acts committed while a corporate officer, will not preclude application of this provision;

* * * * *

PART 112—CARRIERS, CARTMEN, AND LIGHTERMEN

1. The authority citation for Part 112 is revised to read as follows:

Authority: 19 U.S.C. 66, 1551, 1565, 1623, 1624.

2. Section 112.30(a)(5) is revised to read as follows:

§ 112.30 Suspension or revocation of license.

(a) * * *

(5) The holder of such a license or an officer of a corporation holding such a license is convicted of or has committed acts which would constitute a felony, or a misdemeanor involving theft, smuggling, or a theft-connected crime. Any change in the employment status of the corporate officer (e.g., discharge, resignation, demotion, or promotion) prior to conviction of a felony or prior to conviction of a misdemeanor involving theft, smuggling, or a theft-connected crime, resulting from acts committed while a corporate officer, will not preclude application of this provision;

* * * * *

PART 146—FOREIGN TRADE ZONES

1. The authority citation for Part 146 continues to read in part as follows:

Authority: 19 U.S.C. 66, 81a–81u, 1202 (Gen. Hdnote 11), 1623, 1624. * * *

2. Section 146.82(a)(3) is revised to read as follows:

§ 146.82 Suspension.

(a) * * *

(3) The operator, or any officer of a corporation which has been granted the right to operate a zone, is convicted of or has committed acts which would constitute a felony, or misdemeanor involving theft, smuggling, or a theft-connected crime. Any change in the employment status of the corporate officer (e.g., discharge, resignation, demotion, or promotion) prior to conviction of a felony or prior to conviction of a misdemeanor involving theft, smuggling, or a theft-connected crime, resulting from acts committed while a corporate officer, will not preclude application of this provision;

* * * * *

Michael H. Lane,

Acting Commissioner of Customs.

Approved: September 15, 1988.

Salvatore R. Martoche,

Assistant Secretary of the Treasury.

[FR Doc. 88–23549 Filed 10–13–88; 8:45 am]

BILLING CODE 4820-02-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Secretary

Office of the Assistant Secretary for Housing—Federal Housing Commissioner

Office of the Assistant Secretary for Public and Indian Housing

Office of the Assistant Secretary for Community Planning and Development

24 CFR Parts 200, 203, 204, 213, 220, 221, 222, 232, 234, 235, 240, 251, 252, 255, 511, 570, 813, 882, 887, 888, 904, 905, 913, 960, 964, 966, and 970

[Docket No. N-88-1876]

Announcement of Effective Dates; Corrections

AGENCY: Office of the Secretary; Office of the Assistant Secretary for Housing—Federal Housing Commissioner; Office of the Assistant Secretary for Public and Indian Housing; Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice of announcement of effective dates for certain recent final and interim rules; Corrections.

SUMMARY: Section 7(o)(3) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(o)(3), requires HUD to wait thirty calendar days of continuous session of Congress before it makes a published rule effective. This notice announces the effective dates for certain recently published final and interim rules. Thirty calendar days of continuous session of Congress have now expired in the present Congress since these rules were published. For an explanation of subject matter on the rules, see **"SUPPLEMENTARY INFORMATION"**.

The notice also corrects several sections of the final rule, "Resident Management in Public Housing", published September 7, 1988 (53 FR 34676), by inserting the rule's effective date wherever it applies; corrects the **"FOR FURTHER INFORMATION CONTACT"** person in the final rule for "Single Family Mortgage Instruments", published September 6, 1988 (53 FR 34279); and corrects two sections in the final rule, "Full Insurance and Coinsurance of Mortgages Covering Nursing Homes and Similar Projects", published August 31, 1988 (53 FR 33724) to comply with congressional and departmental intent. Finally, this Notice corrects the terminology used in the preamble and rule text of the interim rule entitled "Public Housing Program; Demolition or Disposition of Public Housing Projects "published on August 17, 1988 (53 FR 30984).

DATES: For effective dates see **"SUPPLEMENTARY INFORMATION"**.

FOR FURTHER INFORMATION CONTACT: Grady J. Norris, Assistant General Counsel for Regulations, Department of Housing and Urban Development, Room 10276, 451 Seventh Street SW., Washington, DC 20410, telephone (202) 755–7055. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: The effective date provision of each of the published rules affected by this Notice stated that the rule would become effective upon expiration of the first period of 30 calendar days of continuous session of Congress after publication, and announced that future notice of the rule's effectiveness would be published in the **Federal Register.** Thirty calendar days of continuous session of Congress have expired in the present Congress since each of these rules was published. Accordingly, the effective dates are being announced in this Notice.

The Department is correcting, at this time, the final rule published on September 7, 1988 (53 FR 34676), that established a new program of resident management in public housing, and contained several places in §§ 964.3 (c)(2) and (d)(1), 964.5(b), 964.25, 964.33(c), and 964.35(b) for the effective date, when known, to be inserted in the text of the rule. This Notice also corrects the final rule published on September 6, 1988 (53 FR 34279) that permitted a change in present HUD practice concerning the use of mortgage forms in HUD single family mortgage insurance programs. That rule identified an incorrect "For Further Information Contact" person to be contacted for any information concerning those particular forms.

In addition, this Notice corrects the rule published on August 31, 1988 (53 FR 33724) entitled "Full Insurance and Coinsurance of Mortgages Covering Nursing Homes and Similar Projects." On May 3, 1988, the Department published a final rule implementing section 410 of the Housing and Community Development Act of 1987, which included amendments to 24 CFR 232.6 to adopt new certification provisions set out in the 1987 Act (53 FR 15671–15672). The Department, however, varied the statutory requirements slightly to require that only an appropriate State agency—and not a lender—could select a financial consultant to make the market study specified in section 410. Additionally, the Department provided in the May 3 final rule that the State, as well as the Secretary, would have to find the required market study to be acceptable.

Each of these changes in the statutory formulation was objected to by the House Committee on Banking, Finance and Urban Affairs in its June 29, 1988, Report on the Omnibus McKinney Homeless Assistance Act of 1988 (Report 100–718, Part 2, 100th Congress, 2d Session at pp. 47–48).

In the August 31, 1988, rule, the Department responded to the Committee's concern by modifying § 232.6 to reflect the Committee's directions. However, through inadvertence, only one of the two alterations of the rule was included. Today's correction modifies the section in accordance with the Committee's direction and HUD's intention at the time of publishing the August 31, 1988, final rule. A parallel correction is made to § 252.303(a)(2)(iii).

In the August 17, 1988, publication of its interim rule entitled "Public Housing Program; Demolition or Disposition of Public Housing Projects", the Department erred in making reference to "units deprogrammed" in a context where it was intended to refer to "units approved for deprogramming". This Notice revises one paragraph of the rule preamble and one paragraph of the published interim rule to correct this error.

Accordingly, the purpose of this notice is to announce the effective dates for the rules listed below and to make the necessary corrections described above for the final rules published in the **Federal Register** on August 31, 1988 (53 FR 33724), September 6, 1988 (53 FR 34279), September 7, 1988 (53 FR 34676), and August 17, 1988 (53 FR 30984), as follows:

PARTS 200, 203, 204, 213, 220, 221, 222, 234, 235 AND 240—[AMENDED]

1. *24 CFR Parts 200, 203, 204, 213, 220, 221, 222, 234, 235, and 240:* Single Family Mortgage Instruments, Final Rule published September 6, 1988 (53 FR 34279), Docket No. R–88–1410; FR 2434.

DATES:

Effective Date: October 6, 1988.

In addition, on page 34279, third column, correct name, title and telephone number listed in "**FOR FURTHER INFORMATION CONTACT**" to read:

Donald B. Alexander, Chief Attorney, Loan Origination Section, Home Mortgage Division, * * * (202) 755–7070 (This is not a toll-free number).

PARTS 232, 251, 252 AND 255—[AMENDED]

2. *24 CFR Parts 232, 251, 252, and 255:* Full Insurance and Coinsurance of Mortgages Covering Nursing Homes and Similar Projects, Final Rule published August 31, 1988 (53 FR 33724), Docket No. R–88–1361; FR–2256.

DATES:

Effective Date: October 6, 1988.

§ 232.6 [Amended]

In addition, § 232.6(a)(2), on page 33735, column one, at line 8 in paragraph (2), the phrase "lender shall not coinsure" is corrected to read "Secretary shall not insure".

Section 232.6(2)(iii), on page 33735, column one, is corrected by striking out the phrase "is certified as acceptable by an appropriate State official, and".

§ 252.303 [Amended]

Section 252.303(a)(2)(iii), on page 33744, is corrected by striking out the phrase "certified as acceptable by an appropriate State official, and is".

PARTS 511, 813, 882, 887, 888 AND 960—[AMENDED]

3. *24 CFR Parts 511, 813, 882, 887, 888, and 960:* Section 8 Housing Vouchers, Final Rule published September 6, 1988 (53 FR 34372), Docket No. R–88–1332; FR 2170.

DATES:

Effective Date: October 6, 1988.

PART 570—[AMENDED]

4. *24 CFR Part 570:* Community Development Block Grants; Relocation, Displacement and Acquisition, Interim Rule published August 17, 1988 (53 FR 31234), Docket No. R–88–1405; FR–2474.

DATES:

Effective Date: October 6, 1988, retroactive to October 1, 1988.

Comment Due Date: October 17, 1988.

5. *24 CFR Part 570:* Urban Development Action Grant (UDAG); Selection Criteria, Final Rule published August 29, 1988 (53 FR 33026), Docket No. R–88–1383; FR 2449.

DATES:

Effective Date: October 6, 1988.

6. *24 CFR Part 570:* Community Development Block Grants; Final Rule published September 6, 1988 (53 FR 34416), Docket No. R–85–1204; FR–1895.

DATES:

Effective Date: October 6, 1988.

PARTS 904, 905, 913, 960 AND 966—[AMENDED]

7. *24 CFR Parts 904, 905, 913, 960, and 966:* Tenancy and Administrative Grievance Procedure for Public Housing; Public Housing—Tenancy and Administrative Grievance Procedure, Final Rule published August 30, 1988 (53 FR 33216), Docket No. R–88–1020; FR–1164.

DATES:

Effective Date: November 7, 1988.

PART 964—[AMENDED]

8. *24 CFR Part 964:* Resident Management in Public Housing, Final Rule published September 7, 1988 (53 FR 34676), Docket No. R–88–1398; FR–2519.

DATES:

Effective Date: October 7, 1988.

§§ 964.3, 964.5, 964.25, 964.33 and 964.35 [Amended]

Correct §§ 964.3 (c)(2) and (d)(1), 964.5(b), 964.25, 964.33(c) and 964.35(b), beginning on page 34680 and ending on page 34683, by removing the instructions "[insert effective date of this rule]", wherever it appears, and inserting in their place, "October 7, 1988."

PART 970—[AMENDED]

9. *24 CFR Part 970:* Public Housing Program; Demolition or Disposition of Public Housing Projects, Interim Rule published August 17, 1988 (53 FR 30984), Docket No. R–88–1407; FR–2463.

DATES:

Effective Date: October 6, 1988.

Comment Due Date: October 17, 1988.

In addition, on page 30986, third column, first full paragraph, the preamble paragraph is corrected to read as follows:

The Department has also determined that Part 970 should not apply to demolition or disposition of units approved for deprogramming before February 5, 1988 (the effective date of the 1987 Act). Units are deprogrammed for varying reasons, and because of this, the Department invites public comment concerning whether Part 970's requirements ought to be applied to some or all housing units approved for deprogramming after February 5, 1988, and in the future. This interim rule, by its silence, extends coverage to all units approved for deprogramming after February 5, 1988.

§ 970.2 [Amended]

On page 30987, third column, the amendment adding a new paragraph (g) to § 970.2 is corrected to read as follows:

(g) Units approved for deprogramming before February 5, 1988.

Authority: Sec. 7(d), Department of Housing and Urban Development Act (42 U.S.C. 3535(d)).

Date: October 11, 1988.

Grady J. Norris,

Assistant General Counsel for Regulations.

[FR Doc. 88-23781 Filed 10-13-88; 8:45 am]

BILLING CODE 4210-32-M

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Part 2610

Payment of Premiums; Interest Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Interim rule.

SUMMARY: This is an amendment to the Pension Benefit Guaranty Corporation's interim regulation on Payment of Premiums, which was published on June 30, 1988 (53 FR 24906). Appendix B to the interim regulation contains a table setting forth the interest rates that are required by statute to be used in valuing a plan's vested benefits for purposes of determining the amount of the premium due to the PBGC. This amendment adds to that table the interest rate applicable to plan years beginning in October 1988.

EFFECTIVE DATE: October 14, 1988.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Senior Counsel, Office of the General Counsel (Code 22500), Pension Benefit Guaranty Corporation, 2020 K Street, NW. Washington, DC 20006; telephone 202-778-8823 (202-778-8859 for TTY and TDD). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: Section 9331 of the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100-203, amended section 4006 of the Employee Retirement Income Security Act of 1974 ("ERISA") to establish a two-part premium structure for single-employer plans, *i.e.*, a flat rate per capita assessment and a variable rate assessment based on a plan's unfunded vested benefits, effective for plan years beginning on or after January 1, 1988. Under amended ERISA section 4006(a)(3)(E)(iii)(II), the interest rate used in valuing a plan's vested benefits for purposes of determining the amount of the plan's unfunded vested benefits must equal 80% of the annual yield on 30-year Treasury securities for the month preceding the month in which the plan year begins.

The Pension Benefit Guaranty Corporation's (the "PBGC's") interim regulation on Payment of Premiums (53 FR 24906 (June 30, 1988)) implements these new premium rules. Under § 2610.23(b)(1) of the regulation, the interest rate for valuing vested benefits is determined by reference to the annual yield for 30-year Treasury constant maturities as reported in Federal Reserve Statistical Release G.13 and H.15. The required interest rate for a given "premium payment year" (the plan year for which the premium is being paid) is 80% of this rate for the calendar month preceding the calendar month in which the premium payment year begins. As a convenience, the PBGC established an Appendix B to the interim regulation containing a table setting forth the required interest rates for premium payment years beginning in January 1988 and thereafter.

The PBGC is amending Appendix B to add the required interest rate for premium payment years beginning in October 1988. Appendix B to the interim regulation does not prescribe the required interest rates for valuing vested benefits. These rates are prescribed by section 4006(a)(3)(E)(iii)(II) of ERISA and § 2610.23(b)(1) of the regulation. The purpose of Appendix B is merely to collect and to republish these rates in a convenient place. Thus, the interest rates in Appendix B are informational only. Accordingly, the PBGC finds that notice of and public comment on this amendment would be unnecessary and contrary to the public interest. See 5 U.S.C. 553(b). For these same reasons, the PBGC also finds that good cause exists for making these amendments effective immediately. See 5 U.S.C. 553(d)(3).

The PBGC has determined that this amendment is not a "major rule" within the meaning of Executive Order 12291, because it will not have an annual effect on the economy of $100 million or more; nor create a major increase in costs or prices for consumers, individual industries, or geographic regions, nor have significant adverse effects on competition, employment, investment, innovation or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

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 in 29 CFR Part 2610

Employee benefit plans, Pension insurance, Pensions.

In consideration of the foregoing, Appendix B to Part 2610 of Chapter XXVI of Title 29, Code of Federal Regulations, is hereby amended as follows:

PART 2610—PAYMENT OF PREMIUMS

1. The authority citation for Part 2610 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1306, 1307, as amended by sec. 9331, Pub. L. 100-203, 101 Stat. 1330.

2. Appendix B to Part 2610 is amended by adding to the table of interest rates therein a new entry to read as follows. The explanatory text is republished for the convenience of the reader and remains unchanged.

Appendix B—Interest Rates for Valuing Vested Benefits

The following table lists the required interest rates to be used in valuing a plan's vested benefits under § 2610.23(b) and in calculating a plan's adjusted vested benefits under § 2610.23(c)(1):

For premium payment years beginning in—	Required interest rate [1]
* * *	* *
October 1988	7.25

[1] The required interest rate listed above is equal to 80% of the annual yield for 30-year Treasury constant maturities, as reported in Federal Reserve Statistical Release G.13 and H.15, for the calendar month preceding the calendar month in which the premium payment year begins.

Issued in Washington, DC, on this 11th day of October, 1988.

Kathleen P. Utgoff,

Executive Director, Pension Benefit Guaranty Corporation.

[FR Doc. 88-23790 Filed 10-13-88; 8:45 am]

BILLING CODE 7708-01-M

29 CFR Part 2619

Valuation of Plan Benefits in Single-Employer Plans; Amendment Adopting Additional PBGC Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This amendment to the regulation on Valuation of Plan Benefits in Single-Employer Plans contains the interest rates and factors for the period beginning November 1, 1988. The use of these interest rates and factors to value benefits is mandatory for some terminating single-employer pension plans and optional for others. The Pension Benefit Guaranty Corporation adjusts the interest rates and factors periodically to reflect changes in financial and annuity markets. This amendment adopts the rates and factors applicable to plans that terminate on or after November 1, 1988, and will remain

in effect until the PBGC issues new interest rates and factors.

EFFECTIVE DATE: November 1, 1988.

FOR FURTHER INFORMATION CONTACT: John Foster, Attorney, Office of the General Counsel, Code 22500, Pension Benefit Guaranty Corporation, 2020 K Street, NW., Washington, DC 20006, 202-778-8824 (202-778-8859 for TTY and TDD only). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: The Pension Benefit Guaranty Corporation's ("PBGC's") regulation on Valuation of Plan Benefits in Single-Employer Plans (29 CFR Part 2619) sets forth the methods for valuing plan benefits of terminating single-employer plans covered under Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The recent amendments to Title IV made by the Pension Protection Act ("PPA"), a part of the Omnibus Budget Reconciliation Act of 1987, increase the amount of plan benefits for which an employer is responsible upon plan termination. These new termination rules apply to plan terminations with respect to which the 60-day advance notice to affected parties (the notice of intent to terminate) is issued after December 17, 1987. (For more detail, see the PBGC's Notice of Revised Termination Rules, 53 FR 1905 (January 22, 1988).) However, the PPA does not change the Title IV valuation rules.

Under amended ERISA section 4041(c), all plans wishing to terminate in a distress termination must value guaranteed benefits and "benefit liabilities", i.e., all benefits provided under the plan as of the plan termination date, using the formulas set forth in Part 2619. Plans terminating in a standard termination may, for purposes of the notice given to the PBGC, use these formulas to value benefit liabilities, although this is not required. (Such plans may value benefit liabilities that are payable as annuities on the basis of a qualifying bid obtained from an insurer.)

Plans that terminate on or after January 1, 1986 (the effective date of the Single-Employer Pension Plan Amendments Act of 1986) and issued notices of intent to terminate prior to December 18, 1987, or against which the PBGC instituted involuntary termination proceedings before that date, shall continue to be responsible for benefit commitments under the plan and to value guaranteed benefits and/or benefit commitments.

Appendix B in Part 2619 sets forth the interest rates and factors that are to be used in the formulas contained in the regulations. Because these rates and factors are intended to reflect current conditions in the financial and annuity markets, it is necessary to update the rates and factors periodically.

The rates and factors currently in use have been in effect since September 1, 1988 (53 FR 30674 (Aug. 15, 1988)). Although the PBGC usually changes its rates by an interval of ¼ percent, rapid changes in financial markets have indicated that a decrease of ½ percent in warranted at this time. Accordingly, this amendment adds to Appendix B a new set of interest rates and factors for valuing benefits in plans that terminate on or after November 1, 1988, which set reflects an decrease of ½ percent in the immediate interest rate to 7¾ percent.

Generally, the interest rates and factors will be in effect for at least one month. However, any published rates and factors will remain in effect until such time as the PBGC publishes another amendment changing them. Any change in the rates normally will be published in the **Federal Register** by the 15th of the month preceding the effective date of the new rates or as close to that date as circumstances permit.

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 rates and factors promptly so that the rates can reflect, as accurately as possible, current market conditions.

Because of the need to provide immediate guidance for the valuation of benefits in plans that will terminate on or after November 1, 1988, and because no adjustment by ongoing plans is required by this amendment, the PBGC finds that good cause exists for making the rates set forth in this amendment effective less than 30 days after publication.

The PBGC has determined that this is not a "major rule" under the criteria set forth in Executive Order 12291, because it will not result in an annual effect on the economy of $100 million or more, a major increase in costs for consumers or individual industries, or significant adverse effects on competition, employment, investment, productivity, or innovation.

List of Subjects in 29 CFR Part 2619

Employee benefit plans, Pension insurance, Pensions.

In consideration of the foregoing, Part 2619 of Chapter XXVI, Title 29, Code of Federal Regulations, is hereby amended as follows:

PART 2619—[AMENDED]

1. The authority citation for Part 2619 is revised to read as follows:

Authority: 29 U.S.C. 1301(a), 1302(b)(3), 1341, 1344, 1362, as amended by secs. 9312-13, Pub. L. 100-203, 101 Stat. 1330.

2. Rate Set 75 of Appendix B is revised and Rate Set 76 of Appendix B is added to read as follows. The introductory text is republished for the convenience of the reader and remains unchanged.

Appendix B—Interest Rates and Quantities Used to Value Immediate and Deferred Annuities

In the table that follows, the immediate annuity rate is used to value immediate annuities, to compute the quantity "Gy" for deferred annuities and to value both portions of a refund annuity. An interest rate of 5% shall be used to value death benefits other than the decreasing term insurance portion of a refund annuity. For deferred annuities, k_1, k_2, k_3, n_1, and n_2, are defined in § 2619.45.

Rate set	For plan with a valuation date		Immediate annuity rate in (percent)	Deferred annuities				
	On or after	Before		k_1	k_2	k_3	n_1	n_2
*	*	*	*	*	*	*		
75	9-1-88	11-1-88	8.25	1.0750	1.0625	1.0400	7	8
76	11-1-88		7.75	1.0700	1.0575	1.0400	7	8

Kathleen P. Utgoff,

Executive Director, Pension Benefit Guaranty Corporation.

[FR Doc. 88-23691 Filed 10-13-88; 8:45 am]

BILLING CODE 7708-01-M

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29 CFR Part 2676

Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal; Interest Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This is an amendment to the Pension Benefit Guaranty Corporation's regulation on Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal (29 CFR Part 2676). The regulation prescribes rules for valuing benefits and certain assets of multiemployer plans under sections 4219(c)(1)(D) and 4281(b) of the Employee Retirement Income Security Act of 1974. Section 2676.15(c) of the regulation contains a table setting forth, for each calendar month, a series of interest rates to be used in any valuation performed as of a valuation date within that calendar month. On or about the fifteenth of each month, the PBGC publishes a new entry in the table for the following month, whether or not the rates are changing. This amendment adds to the table the rate series for the month of November 1988.

EFFECTIVE DATE: November 1, 1988.

FOR FURTHER INFORMATION CONTACT: Deborah C. Murphy, Attorney, Office of the General Counsel (22500), Pension Benefit Guaranty Corporation, 2020 K Street NW., Washington DC 2006; 202-778-8820 (202-778-8859 for TTY and TDD). (These are not toll-free numbers.)

SUPPLEMENTARY INFORMATION: The PBGC finds that notice of and public comment on this amendment would be impracticable and contrary to the public interest, and that there is good cause for making this amendment effective immediately. These findings are based on the need to have the interest rates in this amendment reflect market conditions that are as nearly current as possible and the need to issue the interest rates promptly so that they are available to the public before the beginning of the period to which they apply. (*See* 5 U.S.C. 553(b) and (d).) Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply (5 U.S.C. 601(2)).

The PBGC has also determined that this amendment is not a "major rule" within the meaning of Executive Order 12291 because it will not have an annual effect on the economy of $100 million or more; or create a major increase in costs or prices for consumers, individual industries, or geographic regions; or have significant adverse effects on competition, employment, investment, or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subject in 29 CFR Part 2676

Employee benefit plans, Pensions.

In consideration of the foregoing, Part 2676 of Subchapter H of Chapter XXVI of Title 29, Code of Federal Regulations, is amended as follows:

PART 2676—VALUATION OF PLAN BENEFITS AND PLAN ASSETS FOLLOWING MASS WITHDRAWAL

1. The authority citation for Part 2676 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1399(c)(1)(D), and 1441(b)(1).

2. In § 2676.15, paragraph (c) is amended by adding to the end of the table of interest rates therein the following new entry:

§ 2676.15 Interest

* * * * *

(c) *Interest Rates.*

For valuation dates occurring in the month—	The values of i_t are—														
	i_1	i_2	i_3	i_4	i_5	i_6	i_7	i_8	i_9	i_{10}	i_{11}	i_{12}	i_{13}	i_{14}	i_{15}	i_n
*		*		*		*		*		*		*				
November 1988	.09625	.0925	.0875	.0825	.0775	.07125	.07125	.07125	.07125	.07125	.065	.065	.065	.065	.065	.06

Issued at Washington, D.C., on this 4th day of October 1988.

Kathleen P. Utgoff,

Executive Director, Pension Benefit Guaranty Corporation.

[FR Doc. 88-23692 Filed 10-13-88; 8:45 am]

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GENERAL SERVICES ADMINISTRATION

41 CFR Part 105-54

[ADM 5420.40D]

GSA-Sponsored Advisory Committees

AGENCY: Office of Administration, GSA.

ACTION: Final rule.

SUMMARY: This regulation sets forth revisions to policies and procedures in GSA regarding the establishment, renewal, operation, and control of advisory committees under GSA's responsibility. These revisions are necessary to comply with recent guidelines concerning advisory committees. The revisions are intended to provide the most up-to-date procedures needed to effectively carry out the advisory committee function in GSA.

EFFECTIVE DATE: October 14, 1988.

FOR FURTHER INFORMATION CONTACT: Kenneth L. George, Organization and Productivity Improvement Division, Office of Management Services, Office of Administration, General Services Administration, Washington, DC 20405; telephone (202-566-0086).

SUPPLEMENTARY INFORMATION: The General Services Administration has determined that this regulation will not impose unnecessary burdens on the economy or on individuals and, therefore, is not significant for the purposes of Executive Order 12044.

List of Subjects in 41 CFR Part 105-54

Advisory committees, Government property management, Reporting requirements.

1. Part 105-54 is revised to read as follows:

PART 105-54 ADVISORY COMMITTEE MANAGEMENT