

PENSION BENEFIT GUARANTY CORPORATION

Required Interest Rate Assumption for Determining Variable-Rate Premium; Interest on Late Premium Payments; Interest on Underpayments and Overpayments of Single-Employer Plan Termination Liability and Multiemployer Withdrawal Liability; Interest Assumptions for Multiemployer Plan Valuations Following Mass Withdrawal

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Notice of interest rates and assumptions.

SUMMARY: This notice informs the public of the interest rates and assumptions to be used under certain Pension Benefit Guaranty Corporation regulations. These rates and assumptions are published elsewhere (or can be derived from rates published elsewhere), but are collected and published in this notice for the convenience of the public. Interest rates are also published on the PBGC's Web site (<http://www.pbgc.gov>).

DATES: The required interest rate for determining the variable-rate premium under part 4006 applies to premium payment years beginning in October 2003. The interest assumptions for performing multiemployer plan valuations following mass withdrawal under part 4281 apply to valuation dates occurring in November 2003. The interest rates for late premium payments under part 4007 and for underpayments and overpayments of single-employer plan termination liability under part 4062 and multiemployer withdrawal liability under part 4219 apply to interest accruing during the fourth quarter (October through December) of 2003.

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, 202-326-4024. (TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4024.)

SUPPLEMENTARY INFORMATION:

Variable-Rate Premiums

Section 4006(a)(3)(E)(iii)(II) of the Employee Retirement Income Security Act of 1974 (ERISA) and § 4006.4(b)(1) of the PBGC's regulation on Premium Rates (29 CFR part 4006) prescribe use of an assumed interest rate (the "required interest rate") in determining a single-employer plan's variable-rate premium. The required interest rate is

the "applicable percentage" (currently 100 percent) of the annual yield on 30-year Treasury securities for the month preceding the beginning of the plan year for which premiums are being paid (the "premium payment year"). (Although the Treasury Department has ceased issuing 30-year securities, the Internal Revenue Service announces a surrogate yield figure each month—based on the 30-year Treasury bond maturing in February 2031—which the PBGC uses to determine the required interest rate.)

The required interest rate to be used in determining variable-rate premiums for premium payment years beginning in October 2003 is 5.14 percent.

The following table lists the required interest rates to be used in determining variable-rate premiums for premium payment years beginning between November 2002 and October 2003.

For premium payment years beginning in	The required interest rate is
November 2002	4.93
December 2002	4.96
January 2003	4.92
February 2003	4.94
March 2003	4.81
April 2003	4.80
May 2003	4.90
June 2003	4.53
July 2003	4.37
August 2003	4.93
September 2003	5.31
October 2003	5.14

Late Premium Payments; Underpayments and Overpayments of Single-Employer Plan Termination Liability

Section 4007(b) of ERISA and § 4007.7(a) of the PBGC's regulation on Payment of Premiums (29 CFR part 4007) require the payment of interest on late premium payments at the rate established under section 6601 of the Internal Revenue Code. Similarly, § 4062.7 of the PBGC's regulation on Liability for Termination of Single-Employer Plans (29 CFR part 4062) requires that interest be charged or credited at the section 6601 rate on underpayments and overpayments of employer liability under section 4062 of ERISA. The section 6601 rate is established periodically (currently quarterly) by the Internal Revenue Service. The rate applicable to the fourth quarter (October through December) of 2003, as announced by the IRS, is 4 percent.

The following table lists the late payment interest rates for premiums and employer liability for the specified time periods:

From—	Through—	Interest rate (percent)
7/1/96	3/31/98	9
4/1/98	12/31/98	8
1/1/99	3/31/99	7
4/1/99	3/31/00	8
4/1/00	3/31/01	9
4/1/01	6/30/01	8
7/1/01	12/31/01	7
1/1/02	12/31/02	6
1/1/03	9/30/03	5
10/1/03	12/31/03	4

Underpayments and Overpayments of Multiemployer Withdrawal Liability

Section 4219.32(b) of the PBGC's regulation on Notice, Collection, and Redetermination of Withdrawal Liability (29 CFR part 4219) specifies the rate at which a multiemployer plan is to charge or credit interest on underpayments and overpayments of withdrawal liability under section 4219 of ERISA unless an applicable plan provision provides otherwise. For interest accruing during any calendar quarter, the specified rate is the average quoted prime rate on short-term commercial loans for the fifteenth day (or the next business day if the fifteenth day is not a business day) of the month preceding the beginning of the quarter, as reported by the Board of Governors of the Federal Reserve System in Statistical Release H.15 ("Selected Interest Rates"). The rate for the fourth quarter (October through December) of 2003 (*i.e.*, the rate reported for September 15, 2003) is 4.00 percent.

The following table lists the withdrawal liability underpayment and overpayment interest rates for the specified time periods:

From	Through	Interest rate (percent)
7/1/97	12/31/98	8.50
1/1/99	9/30/99	7.75
10/1/99	12/31/99	8.25
1/1/00	3/31/00	8.50
4/1/00	6/30/00	8.75
7/1/00	3/31/01	9.50
4/1/01	6/30/01	8.50
7/1/01	9/30/01	7.00
10/1/01	12/31/01	6.50
1/1/02	12/31/02	4.75
1/1/03	9/30/03	4.25
10/1/03	12/31/03	4.00

Multiemployer Plan Valuations Following Mass Withdrawal

The PBGC's regulation on Duties of Plan Sponsor Following Mass Withdrawal (29 CFR part 4281) prescribes the use of interest assumptions under the PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part

4044). The interest assumptions applicable to valuation dates in November 2003 under part 4044 are contained in an amendment to part 4044 published elsewhere in today's **Federal Register**. Tables showing the assumptions applicable to prior periods are codified in appendix B to 29 CFR part 4044.

Issued in Washington, DC, on this 7th day of October 2003.

Joseph H. Grant,

Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation.

[FR Doc. 03-26027 Filed 10-14-03; 8:45 am]

BILLING CODE 7708-01-P

OFFICE OF PERSONNEL MANAGEMENT

Privacy Act of 1974; Computer Matching Programs, Office of Personnel Management/Department of Labor, Office of Workers' Compensation Programs

AGENCY: Office of Personnel Management (OPM).

ACTION: Publication of notice of computer matching to comply with Public Law 100-503, the Computer Matching and Privacy Act of 1988.

SUMMARY: OPM is publishing notice of its computer matching program with the Department of Labor, Office of Workers' Compensation Programs (OWCP) to meet the reporting and publication requirements of Public Law 100-503. The purpose of this match is to identify and/or prevent erroneous payments under the Civil Service Retirement Act (CSRA) or the Federal Employees' Retirement System Act (FERSA) and the Federal Employees' Compensation Act (FECA). The match will identify individuals receiving prohibited benefits simultaneously under CSRA or FERSA and the FECA. All three laws prohibit the receipt of certain simultaneous payments covering the same period of time.

The match will involve the OPM system of records published as OPM CENTRAL-1, Civil Service Retirement and Insurance Records at 64 FR 54930 October 8, 1999, as amended May 3, 2000, (65 FR 25775) and the Department of Labor system of records published as DOL/GOVT-1, entitled "Office of Workers' Compensation Programs, Federal Employees' Compensation Act File" at 67 FR 16817, on April 8, 2002.

DATES: The matching program will begin in October 2003, or 40 days after agreements by the parties participating in the match have been submitted to

Congress and the Office of Management and Budget, whichever is later. The matching program will continue for 18 months from the beginning date and may be extended an additional 12 months thereafter. The data exchange will begin at a date mutually agreed upon between OPM and OWCP after October 2003, unless comments on the match are received that result in cancellation of the program. Subsequent matches will take place semi-annually on a recurring basis until one of the parties advises the other in writing of its intention to reevaluate, modify and/or terminate the agreement.

ADDRESSES: Send comments to Maurice O. Duckett, Assistant Director for RIS Support Services Program, Office of Personnel Management, Room 4H28, 1900 E. Street NW., Washington, DC 20415.

FOR FURTHER INFORMATION CONTACT: James Sparrow, (202) 606-1803.

SUPPLEMENTARY INFORMATION: The computer matching program between OPM and OWCP will involve comparison of beneficiaries under the FECA and the CSRA or the FERSA. The match will identify beneficiaries receiving payment of compensation for wage loss or death under the FECA and those receiving retirement or death benefits under the CSRA or FERS covering the same period of time.

The concurrent receipt of benefits under the FECA based on wage loss and under the CSRA or FERSA for retirement, or under the FECA, CSRA, or FERSA based on the death of a Federal employee, is prohibited. OPM has the responsibility to monitor retirement annuity and survivor benefits paid under the retirement laws to ensure that its beneficiaries are not receiving benefits under the FECA which are prohibited during receipt of benefits under the CSRA or FERSA. Similarly, it is OWCP's responsibility to ensure that Federal employees or dependents of deceased Federal employees receiving benefits under the FECA are not also receiving benefits under CSRA or FERSA which are prohibited.

By comparing the information received through this computer matching program on a regular basis, the agencies will be able to make a timely and more accurate adjustment in their benefit payments. The match will prevent overpayments, fraud and abuse, thus assuring that benefit payments are proper under the appropriate Acts.

Additional information regarding the matching program, including the authority for the program, a description of the matches, the personnel records to

be matched, security safeguards, and plans for the disposal of records following completion of the match are provided in the text below.

Office of Personnel Management

Kay Coles James,

Director.

Matching of Records Between Office of Workers' Compensation Programs and the Office of Personnel Management

A. Authority. The Civil Service Retirement Act (CSRA), 5 U.S.C. 8331, *et seq*; the Federal Employees' Retirement System Act (FERSA), 5 U.S.C. 8401, *et seq*; and the Federal Employees' Compensation Act (FECA), 5 U.S.C. 8101, *et seq*.

B. Description of Computer Matching Program. OPM pays annuities or survivor benefits to individuals who also may receive benefits under the FECA. OPM's responsibility as the administrator of CSRA and the FERSA is to assure that such benefit payments are proper and to prevent fraud and abuse. The computer matching program is an efficient method of determining whether these individuals are receiving benefits simultaneously from both OPM and OWCP which is prohibited by law.

OWCP will provide OPM with extracts of its payment files containing data (names, social security numbers, payee relationship codes, addresses, zip codes, and payment data) needed to identify the individual and determine if he or she is receiving benefits from both organizations at the same time. OPM will match OWCP's extract of its payment files against its payment records for the same dates to determine if benefits were being paid for the same day by both agencies. OPM will provide OWCP with a list of valid matches. Both organizations will detect, identify, and follow-up on payment of prohibited dual benefits. An individual identified as receiving prohibited dual benefits will be offered an opportunity to contest the findings and proposed actions and the opportunity to elect the benefits he or she wishes to receive. This due process will be provided to the individual before any payment adjustments are made.

C. Personnel Records to be Matched.

The respective OPM and OWCP system of records cited above, which contain payment data on beneficiaries, will be matched.

D. Privacy Safeguards and Security. The personal privacy of the individuals whose names are included in the tapes is protected by strict adherence to the provisions of the Privacy Act of 1974 and OMB's Guidance Interpreting the Provisions of Pub. L. 100-503, the