

**DEPARTMENT OF HOUSING AND  
URBAN DEVELOPMENT**
**24 CFR Part 28**
**[Docket No. FR-6196-C-02]**
**Adjustment of Civil Monetary Penalty  
Amounts for 2020; Correction**
**AGENCY:** Office of General Counsel,  
HUD.

**ACTION:** Final rule; correcting  
amendment.

**SUMMARY:** On March 6, 2020, HUD published its Adjustment of Civil Monetary Penalty Amounts for 2020 final rule. Subsequently, when HUD published its 2021 Civil Monetary Penalty final rule, HUD became aware of an error in the codification of the 2020 rule. As a result, HUD is publishing this rule to correct the earlier codification error.

**DATES:** Effective June 15, 2021.

**FOR FURTHER INFORMATION CONTACT:** Aaron Santa Anna, Associate General Counsel for Legislation and Regulations, Department of Housing and Urban Development, 451 7th Street SW, Room 10238, Washington, DC 20410; telephone number 202-708-1793 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay at 800-877-8339 (this is a toll-free number).

**SUPPLEMENTARY INFORMATION:** Revisions to HUD's civil money penalty amounts are required annually by the Federal Civil Penalties Inflation Adjustment Act of 1990,<sup>1</sup> as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.<sup>2</sup>

On March 6, 2020 (85 FR 13041), HUD published its Adjustment of Civil Monetary Penalty Amounts for 2020 final rule. In that rule, HUD's amendatory instructions for 24 CFR 28.10 directed the **Federal Register** to "[r]evis[e] paragraphs (a)(1) introductory text and (b)(1) introductory text." HUD used this amendatory instruction in publishing its annual civil money penalty adjustment final rules in 2017 (May 30, 2017, 82 FR 24521), 2018 (July 16, 2018, 83 FR 32790), and 2019 (March 15, 2019, 84 FR 9451).

Subsequent to HUD's publication of its Adjustment of Civil Monetary Penalty Amounts for 2021 final rule

(March 16, 2021, 86 FR 14370), however, HUD became aware of an error in the codification of 24 CFR 28.10. Section 28.10 provides the basis for civil penalties and assessments under the Program Fraud Civil Remedies Act of 1986.<sup>3</sup> Specifically, HUD determined that paragraph (a)(1)(i), which provides that a civil penalty may be imposed when a claim is made that "is false, fictitious, or fraudulent," failed to codify.

To correct this error in the codification of HUD's Adjustment of Civil Monetary Penalty Amounts for 2020 final rule, this rule recodifies 24 CFR 28.10(a)(1)(i).

**List of Subjects in 24 CFR Part 28**

Administrative practice and procedure, Claims, Fraud, Penalties.

Accordingly, 24 CFR part 28 is corrected by making the following correcting amendment:

**PART 28—IMPLEMENTATION OF THE  
PROGRAM FRAUD CIVIL REMEDIES  
ACT OF 1986**

■ 1. The authority citation for part 28 continues to read as follows:

**Authority:** 28 U.S.C. 2461 note; 31 U.S.C. 3801-3812; 42 U.S.C. 3535(d).

■ 2. Amend § 28.10 by adding paragraph (a)(1)(i) to read as follows:

**§ 28.10 Basis for civil penalties and assessments.**

(a) \* \* \*

(1) \* \* \*

(i) Is false, fictitious, or fraudulent;

\* \* \* \* \*

**Aaron Santa Anna,**

*Associate General Counsel for Legislation and Regulations.*

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**PENSION BENEFIT GUARANTY  
CORPORATION**
**29 CFR Part 4044**
**Allocation of Assets in Single-  
Employer Plans; Interest Assumptions  
for Valuing Benefits**

**AGENCY:** Pension Benefit Guaranty Corporation (PBGC).

<sup>3</sup> Since the enactment of the Program Fraud Civil Remedies Act of 1986 (31 U.S.C.S. 3801, *et seq.*), HUD has direct statutory authority to impose civil money penalties in the case of false, fictitious, or fraudulent claims. HUD has this authority regardless of the language in 24 CFR 28.10.

**ACTION:** Final rule.

**SUMMARY:** This final rule amends the Pension Benefit Guaranty Corporation's regulation on Allocation of Assets in Single-Employer Plans to prescribe interest assumptions under the asset allocation regulation for plans with valuation dates in the third quarter of 2021. These interest assumptions are used for valuing benefits under terminating single-employer plans and for other purposes.

**DATES:** Effective July 1, 2021.

**FOR FURTHER INFORMATION CONTACT:**

Hilary Duke ([duke.hilary@pbgc.gov](mailto:duke.hilary@pbgc.gov)), Assistant General Counsel for Regulatory Affairs, Pension Benefit Guaranty Corporation, 1200 K Street NW, Washington, DC 20005, 202-229-3839. (TTY users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 202-229-3839.)

**SUPPLEMENTARY INFORMATION:** PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044) prescribes actuarial assumptions—including interest assumptions—for valuing benefits under terminating single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974 (ERISA). The interest assumptions in the regulation are also published on PBGC's website (<https://www.pbgc.gov>).

PBGC uses the interest assumptions in appendix B to part 4044 ("Interest Rates Used to Value Benefits") to determine the present value of annuities in an involuntary or distress termination of a single-employer plan under the asset allocation regulation. The assumptions are also used to determine the value of multiemployer plan benefits and certain assets when a plan terminates by mass withdrawal in accordance with PBGC's regulation on Duties of Plan Sponsor Following Mass Withdrawal (29 CFR part 4281).

The third quarter 2021 interest assumptions will be 2.13 percent for the first 25 years following the valuation date and 2.23 percent thereafter. In comparison with the interest assumptions in effect for the second quarter of 2021, these interest assumptions represent an increase of 5

<sup>1</sup> Public Law 101-410.

<sup>2</sup> Public Law 114-74, Sec. 701.