

**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.

**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 the spreads component of the interest assumption under the asset allocation regulation for plans with valuation dates of July 31–October 30, 2024. These interest assumptions are used for valuing benefits under terminating single-employer plans and for other purposes.

**DATES:** Effective July 31, 2024.

**FOR FURTHER INFORMATION CONTACT:** Gregory Katz, Deputy Assistant General Counsel for Regulatory Affairs, Office of the General Counsel, Pension Benefit Guaranty Corporation, 445 12th Street SW, Washington, DC 20024–2101, 202–229–3829. If you are deaf or hard of hearing or have a speech disability, please dial 7–1–1 to access telecommunications relay services.

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

PBGC uses the interest assumption in § 4044.54 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 in part 4044 of PBGC’s regulations are also used in other situations where it is appropriate for liabilities to align with private sector group annuity prices. For example, PBGC’s regulations on Notice, Collection, and Redetermination of Withdrawal Liability (29 CFR part 4219)

and Duties of Plan Sponsor Following Mass Withdrawal (29 CFR part 4281) provide that these assumptions are used to value liabilities for purposes of determining withdrawn employers’ reallocation liability in the event of a mass withdrawal from a multiemployer plan. Multiemployer plans that receive special financial assistance under the regulation on Special Financial Assistance by PBGC (29 CFR part 4262) must, as a condition of receiving special financial assistance, use the interest assumption to determine withdrawal liability for a prescribed period. Additionally, plan sponsors are required to use some, or all of these assumptions for specified purposes (e.g., reporting benefit liabilities in filings required under PBGC’s regulation on Annual Financial and Actuarial Information Reporting (29 CFR part 4010) or determining certain amounts to transfer to PBGC’s Missing Participants Program on behalf of a missing participant of a terminating defined benefit plan under PBGC’s regulation on Missing Participants (29 CFR part 4050)) and may use them for other purposes (e.g., to ensure that plan spinoffs comply with section 414(l) of the Internal Revenue Code (the Code)).

On June 6, 2024, PBGC issued a final rule at 89 FR 48291 that changes the structure of the interest assumption for valuation dates on or after July 31, 2024, from the select and ultimate approach to a yield curve approach. As described in the June 6 final rule, this “4044 yield curve,” is based on a blend of two publicly available bond yield curves that is adjusted to the extent necessary so that the resulting liabilities align with group annuity prices. The adjustments are referred to as “spreads.” PBGC determines and publishes spreads quarterly based on survey data on pricing of private-sector group annuities. As noted in the preamble to the June 6 rule, PBGC will post the 4044 yield curve on its website at [www.pbgc.gov](http://www.pbgc.gov) each month shortly after its underlying data become available. In addition, practitioners are able to determine the 4044 yield curve as of the end of any month using the publicly available bond yield curves and the spreads specified in the regulation.

This rule amends the regulation to specify the spreads used to determine

the 4044 yield curve as of the last days of July, August, and September of 2024, (i.e., the “third quarter 2024 spreads”).

**Need for Immediate Guidance**

PBGC has determined that notice of, and public comment on, this rule are impracticable, unnecessary, and contrary to the public interest. PBGC routinely updates the spreads component of the interest assumption in the asset allocation regulation so that the 4044 yield curve may be determined as soon as the underlying bond yield curves become available. These amendments are merely technical; they ensure that use of PBGC’s interest assumption continues to yield liabilities in line with group annuity prices. Accordingly, PBGC finds that the public interest is best served by issuing this rule expeditiously, without an opportunity for notice and comment, and that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

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

**List of Subjects in 29 CFR Part 4044**

Employee benefit plans, Pension insurance, Pensions.

In consideration of the foregoing, PBGC amends 29 CFR part 4044 as follows:

**PART 4044—ALLOCATION OF ASSETS IN SINGLE-EMPLOYER PLANS**

- 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. In § 4044.54, revise table 1 to paragraph (e) to read as follows:

**§ 4044.54 Interest assumptions.**

\* \* \* \* \*

(e) \* \* \*

Table 1 to Paragraph (e)—Spreads

**THIRD QUARTER 2024 SPREADS**

Maturity point	Spread (percent)	Maturity point	Spread (percent)	Maturity point	Spread (percent)
0.5	0.38	10.5	0.36	20.5	0.33
1.0	0.38	11.0	0.36	21.0	0.33
1.5	0.37	11.5	0.36	21.5	0.33

## THIRD QUARTER 2024 SPREADS—Continued

Maturity point	Spread (percent)	Maturity point	Spread (percent)	Maturity point	Spread (percent)
2.0	0.37	12.0	0.36	22.0	0.33
2.5	0.37	12.5	0.36	22.5	0.33
3.0	0.37	13.0	0.36	23.0	0.33
3.5	0.37	13.5	0.35	23.5	0.33
4.0	0.37	14.0	0.35	24.0	0.33
4.5	0.37	14.5	0.35	24.5	0.33
5.0	0.37	15.0	0.35	25.0	0.33
5.5	0.37	15.5	0.35	25.5	0.33
6.0	0.37	16.0	0.35	26.0	0.33
6.5	0.37	16.5	0.34	26.5	0.32
7.0	0.37	17.0	0.34	27.0	0.32
7.5	0.37	17.5	0.34	27.5	0.32
8.0	0.37	18.0	0.34	28.0	0.32
8.5	0.37	18.5	0.34	28.5	0.32
9.0	0.37	19.0	0.34	29.0	0.32
9.5	0.36	19.5	0.34	29.5	0.32
10.0	0.36	20.0	0.34	30.0	0.32

Issued in Washington, DC.

**Hilary Duke,**

*Assistant General Counsel for Regulatory Affairs, Pension Benefit Guaranty Corporation.*

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## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket Number USCG-2024-0493]

RIN 1625-AA00

#### Safety Zone; Redwood City Fourth of July Fireworks, Redwood Creek, Redwood City, CA

**AGENCY:** Coast Guard, DHS.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard is establishing a temporary safety zone on the navigable waters of the Redwood Creek in Redwood City, CA in support of a fireworks display on July 4, 2024. The safety zone is necessary to protect personnel, vessels, and the marine environment from potential hazards created by pyrotechnics. Unauthorized persons or vessels are prohibited from entering into, transiting through, or remaining in the safety zone without the permission of the Captain of the Port San Francisco or a designated representative.

**DATES:** This rule is effective from 9 a.m. until 10:20 p.m. on July 4, 2024.

**ADDRESSES:** To view documents mentioned in this preamble as being available in the docket, go to <https://>

[www.regulations.gov](http://www.regulations.gov), type USCG-2024-0493 in the search box and click “Search.” Next, in the Document Type column, select “Supporting & Related Material.”

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this rule, call or email Petty Officer Shannon Curtaz-Milian, U.S. Coast Guard Sector San Francisco, at 415-399-7440, [SFWaterways@uscg.mil](mailto:SFWaterways@uscg.mil).

#### SUPPLEMENTARY INFORMATION:

##### I. Table of Abbreviations

CFR Code of Federal Regulations  
DHS Department of Homeland Security  
FR Federal Register  
NPRM Notice of proposed rulemaking  
§ Section  
U.S.C. United States Code

##### II. Background Information and Regulatory History

The Coast Guard is issuing this temporary rule without prior notice and opportunity to comment pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because it is impracticable. The Coast Guard did not receive final details for this event with sufficient time to issue a proposed rule. It is impracticable to go through the full notice and comment rule making process because the Coast Guard must establish this safety zone by July 4,

2024, and lacks sufficient time to provide a reasonable comment period and to consider those comments before issuing the rule.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. Delaying the effective date of this rule would be contrary to public interest because action is necessary to protect personnel, vessels, and the marine environment from the potential safety hazards associated with the fireworks display on Redwood Creek in Redwood City, CA on July 4, 2024.

##### III. Legal Authority and Need for Rule

The Coast Guard is issuing this rule under authority 46 U.S.C. 70034. The Captain of the Port San Francisco has determined that potential hazards associated with the Redwood City Fourth of July Fireworks on July 4, 2024, will be a safety concern for anyone within a 100-foot radius of the fireworks vessel during loading and staging, and anyone within a 850-foot radius of the fireworks vessel starting 30 minutes before the fireworks display is scheduled to commence and ending 30 minutes after the conclusion of the fireworks display. For this reason, this temporary safety zone is needed to protect personnel, vessels, and the marine environment in the navigable waters around the fireworks vessel and during the fireworks display.

##### IV. Discussion of the Rule

This rule establishes a temporary safety zone from 9 a.m. on July 4, 2024, until 10:20 p.m. on July 4, 2024, during the loading, staging, and transit of the fireworks vessel in San Francisco Bay from Pier 68 to Redwood Creek,