

**PART 300—USER FEES**

■ **Paragraph 1.** The authority citation for part 300 continues to read as follows:

**Authority:** 31 U.S.C. 9701.

■ **Par. 2.** Section 300.0 is amended as follows:

■ 1. Paragraph (b)(3) is added.

■ 2. Paragraph (c) is revised.

The addition and revision read as follows:

**§ 300.0 User fees; in general.**

\* \* \* \* \*

(b) \* \* \*

(3) Processing an offer to compromise.

(c) *Effective Date.* This part 300 is applicable March 16, 1995, except that the user fee for processing offers to compromise is applicable November 1, 2003.

■ **Par. 3.** Section 300.3 is added to read as follows:

**§ 300.3 Offer to compromise fee.**

(a) *Applicability.* This section applies to the processing of offers to compromise tax liabilities pursuant to § 301.7122-1 of this chapter. Except as provided in this section, this fee applies to all offers to compromise accepted for processing.

(b) *Fee.* (1) The fee for processing an offer to compromise is \$150.00, except that no fee will be charged if an offer is—

(i) Based solely on doubt as to liability as defined in § 301.7122-1(b)(1) of this chapter; or

(ii) Made by a low income taxpayer, that is, an individual who falls at or below the dollar criteria established by the poverty guidelines updated annually in the **Federal Register** by the U.S. Department of Health and Human Services under authority of section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (95 Stat. 357, 511) or such other measure that is adopted by the Secretary.

(2) The fee will be applied against the amount of the offer, unless the taxpayer requests that it be refunded, if the offer is—

(i) Accepted to promote effective tax administration pursuant to § 301.7122-1(b)(3) of this chapter; or

(ii) Accepted based on doubt as to collectibility and a determination that collection of an amount greater than the amount offered would create economic hardship within the meaning of § 301.6343-1 of this chapter.

(3) Except as otherwise provided in this paragraph (b), the fee will not be refunded to the taxpayer if the offer is accepted, rejected, withdrawn, or returned as nonprocessable after acceptance for processing.

(4) No additional fee will be charged if a taxpayer resubmits an offer the Secretary determines to have been rejected in error or returned in error after acceptance for processing.

(c) *Person liable for the fee.* The person liable for the processing fee is the taxpayer whose tax liabilities are the subject of the offer.

**Robert E. Wenzel,**

*Deputy Commissioner for Services and Enforcement.*

Approved: July 17, 2003.

**Pamela F. Olsen,**

*Assistant Secretary of the Treasury (Tax Policy).*

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**BILLING CODE 4830-01-P**

**PENSION BENEFIT GUARANTY CORPORATION****29 CFR Parts 4022 and 4044****Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits**

**AGENCY:** Pension Benefit Guaranty Corporation.

**ACTION:** Final rule.

**SUMMARY:** The Pension Benefit Guaranty Corporation's regulations on Benefits Payable in Terminated Single-Employer Plans and Allocation of Assets in Single-Employer Plans prescribe interest assumptions for valuing and paying benefits under terminating single-employer plans. This final rule amends the regulations to adopt interest assumptions for plans with valuation dates in September 2003. Interest assumptions are also published on the PBGC's Web site (<http://www.pbgc.gov>).

**EFFECTIVE DATE:** September 1, 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:** The PBGC's regulations prescribe actuarial assumptions—including interest assumptions—for valuing and paying plan benefits of terminating single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974. The interest assumptions are intended to reflect

current conditions in the financial and annuity markets.

Three sets of interest assumptions are prescribed: (1) A set for the valuation of benefits for allocation purposes under section 4044 (found in appendix B to part 4044), (2) a set for the PBGC to use to determine whether a benefit is payable as a lump sum and to determine lump-sum amounts to be paid by the PBGC (found in appendix B to part 4022), and (3) a set for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using the PBGC's historical methodology (found in appendix C to part 4022).

Accordingly, this amendment (1) adds to appendix B to part 4044 the interest assumptions for valuing benefits for allocation purposes in plans with valuation dates during September 2003, (2) adds to appendix B to part 4022 the interest assumptions for the PBGC to use for its own lump-sum payments in plans with valuation dates during September 2003, and (3) adds to appendix C to part 4022 the interest assumptions for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using the PBGC's historical methodology for valuation dates during September 2003.

For valuation of benefits for allocation purposes, the interest assumptions that the PBGC will use (set forth in appendix B to part 4044) will be 4.90 percent for the first 20 years following the valuation date and 5.25 percent thereafter. These interest assumptions represent an increase (from those in effect for August 2003) of 0.50 percent for the first 20 years following the valuation date and are otherwise unchanged.

The interest assumptions that the PBGC will use for its own lump-sum payments (set forth in appendix B to part 4022) will be 3.50 percent for the period during which a benefit is in pay status and 4.00 percent during any years preceding the benefit's placement in pay status. These interest assumptions represent an increase (from those in effect for August 2003) of 0.50 percent for the period during which a benefit is in pay status and are otherwise unchanged.

For private-sector payments, the interest assumptions (set forth in appendix C to part 4022) will be the same as those used by the PBGC for determining and paying lump sums (set forth in appendix B to part 4022).

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 assumptions promptly so that the assumptions can reflect, as accurately as possible, current market conditions.

Because of the need to provide immediate guidance for the valuation and payment of benefits in plans with valuation dates during September 2003, the PBGC finds that good cause exists for making the assumptions 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 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 4022*

Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements.

*29 CFR Part 4044*

Employee benefit plans, Pension insurance, Pensions.

■ In consideration of the foregoing, 29 CFR parts 4022 and 4044 are amended as follows:

**PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS**

■ 1. The authority citation for part 4022 continues to read as follows:

**Authority:** 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

■ 2. In appendix B to part 4022, Rate Set 119, as set forth below, is added to the table. (The introductory text of the table is omitted.)

**Appendix B to Part 4022—Lump Sum Interest Rates For PBGC Payments**

\* \* \* \* \*

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		$i_1$	$i_2$	$i_3$	$n_1$	$n_2$
* 119	* 9-1-03	* 10-1-03	* 3.50	* 4.00	* 4.00	* 4.00	* 7	* 8

■ 3. In appendix C to part 4022, Rate Set 119, as set forth below, is added to the table. (The introductory text of the table is omitted.)

**Appendix C to Part 4022—Lump Sum Interest Rates For Private-Sector Payments**

\* \* \* \* \*

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		$i_1$	$i_2$	$i_3$	$n_1$	$n_2$
* 119	* 9-1-03	* 10-1-03	* 3.50	* 4.00	* 4.00	* 4.00	* 7	* 8

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

■ 4. The authority citation for part 4044 continues to read as follows:

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

■ 5. In appendix B to part 4044, a new entry, as set forth below, is added to the

table. (The introductory text of the table is omitted.)

**Appendix B to Part 4044—Interest Rates Used to Value Benefits**

\* \* \* \* \*

For valuation dates occurring in the month—	The values of $i_t$ are:					
	$i_t$	for $t =$	$i_t$	for $t =$	$i_t$	for $t =$
* September 2003 .....	* .0490	* 1-20	* .0525	* >20	* N/A	* N/A

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

**Joseph H. Grant,**

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

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**DEPARTMENT OF THE INTERIOR**

**Office of Surface Mining Reclamation and Enforcement**

**30 CFR Part 938**

[PA-137-FOR]

**Pennsylvania Regulatory Program**

**AGENCY:** Office of Surface Mining Reclamation and Enforcement (OSM), Interior.

**ACTION:** Final rule; approval of amendment.

**SUMMARY:** We are approving an amendment to the Pennsylvania permanent regulatory program (the "Pennsylvania program") under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). Pennsylvania proposed to revise its regulations regarding licensing of blasters and the storage, handling and use of explosives. Pennsylvania intends to reorganize and clarify its blasting regulations to reflect the advances in technology and research associated with blasting.

**EFFECTIVE DATE:** August 15, 2003.

**FOR FURTHER INFORMATION CONTACT:** George Rieger, Acting Field Office Director, Harrisburg Field Office,

Telephone: (717) 782-4036, e-mail: *grieger@osmre.gov*.

**SUPPLEMENTARY INFORMATION:**

- I. Background on the Pennsylvania Program
- II. Submission of the Proposed Amendment
- III. OSM's Findings
- IV. Summary and Disposition of Comments
- V. OSM's Decision
- VI. Procedural Determinations

**I. Background on the Pennsylvania Program**

Section 503(a) of the Act permits a State to assume primacy for the regulation of surface coal mining and reclamation operations on non-Federal and non-Indian lands within its borders by demonstrating that its State program includes, among other things, " \* \* \* a State law which provides for the regulation of surface coal mining and reclamation operations in accordance with the requirements of the Act \* \* \*; and rules and regulations consistent with regulations issued by the Secretary pursuant to the Act." See 30 U.S.C. 1253(a)(1) and (7). On the basis of these criteria, the Secretary of the Interior conditionally approved the Pennsylvania program on July 30, 1982. You can find background information on the Pennsylvania program, including the Secretary's findings, the disposition of comments, and conditions of approval in the July 30, 1982, **Federal Register** (47 FR 33050). You can also find later actions concerning Pennsylvania's program and program amendments at 30 CFR 938.11, 938.12, 938.15 and 938.16.

**II. Submission of the Amendment**

By letter dated February 25, 2002, Pennsylvania sent us an amendment to its program (Administrative Record No.

PA 878.02) under SMCRA (30 U.S.C. 1201 *et seq.*). The amendment includes changes to Title 25, Part I, Subpart D, Article IV, Chapters 210 Blaster's License, and 211 Storage, Handling and Use of Explosives. We announced receipt of the proposed amendment in the April 30, 2002, **Federal Register** (67 FR 21187). In the same document, we opened the public comment period and provided an opportunity for a public hearing or meeting on the amendment's adequacy. We did not hold a public hearing, as one was not requested. The public comment period ended on May 30, 2002. We received comments from two Federal agencies and from one State agency. The Federal agencies were the U.S. Department of Labor, Mine Safety and Health Administration's (MSHA) New Stanton Office and the U.S. Environmental Protection Agency (EPA), Region III. The State agency was the Pennsylvania Historical and Museum Commission (PHMC).

**III. OSM's Findings**

Following are the findings we made concerning the amendment under SMCRA and the Federal regulations at 30 CFR 732.15 and 732.17. We are approving the amendment as described below. Any revisions that we do not specifically discuss below concern nonsubstantive wording or editorial changes and are approved here without discussion.

*A. Minor Revisions to Pennsylvania's Rules*

Pennsylvania proposed minor wording and recodification changes to the following previously approved rules:

Previously approved section	Recodified section (These sections may include minor wording changes from the original language.)	Subject
210.1(a) .....	210.16(a) .....	Examinations for Blaster's License.
210.1(b) .....	210.16(b) .....	Frequency of Examinations.
210.1(e) .....	210.15(b) .....	License Application.
210.2(d) .....	210.14(a)(4) .....	Requirement to Pass Examination.
210.2(e) .....	210.13(c) .....	Exhibiting License.
210.2(g) .....	210.16(c) and (d) .....	Forfeiture of Fees.
210.3(b) .....	210.17(f) .....	Lapsed Licenses.
210.5(a) .....	210.13(a) and 211.154(a) .....	Blaster in Charge.
210.5(b) .....	211.154(c) .....	Another person present during blast.
210.5(c) .....	211.102(a) .....	Scope.
211.2(2) .....	211.101 .....	Definition—Magazine.
211.2(4) .....	211.101 .....	Definition—Primer.
211.2(5) .....	211.101 .....	Definition—Stemming.
211.2(6) .....	211.101 .....	Definition—Building.
211.2(12) .....	211.101 .....	Definition—Person.
211.2(18) .....	211.101 .....	Definition—Charge Weight.
211.2(20) .....	211.101 .....	Definition—Delay Interval.
211.32(1) .....	211.112(a) .....	Location of magazine.
211.36(1) .....	211.121(a) .....	Records of Disposition of explosives.
211.36(2) .....	211.101 .....	Definitions of "purchase," and "sale or sell".
211.36(6), (7) .....	211.122(b), (c) and 211.123(b), (c) .....	Permits to sell/purchase explosives.
211.42(1), (3)–(12), and (15)–17 .....	211.141 .....	Transportation of Explosives.