

§ 4062.1 [Amended]

■ 2. Amend § 4062.1 by adding the following sentence after the first sentence of the paragraph:

§ 4062.1 Purpose and Scope

* * * This part also sets forth rules for determining the amount of liability incurred under section 4063 of ERISA pursuant to the occurrence of a cessation of operations as described by section 4062(e) of ERISA. * * *

§ 4062.3 [Amended]

■ 3. In paragraph (b) of § 4062.3, remove the references to “§ 4062.8(c)” and “4062.8(b)” and add the references to “§ 4062.9(c)” and “§ 4062.9(b)” in their places, respectively.

§ 4062.7 [Amended]

■ 4. In paragraph (a) of § 4062.7, remove the reference to “§ 4062.8” and add in its place the reference to “§ 4062.9”.

§ 4062.8 through § 4062.10 [Redesignated]

■ 5. Redesignate §§ 4062.8, 4062.9, and 4062.10 as §§ 4062.9, 4062.10, and 4062.11, respectively.

■ 6. Add new § 4062.8 to read as follows:

§ 4062.8 Liability pursuant to section 4062(e).

(a) *Liability amount.* If, pursuant to section 4062(e) of ERISA, an employer ceases operations at a facility in any location and, as a result of such cessation of operations, more than 20% of the total number of the employer's employees who are participants under a plan established and maintained by the employer are separated from employment, the PBGC will determine the amount of liability under section 4063(b) of ERISA to be the amount described in section 4062 of ERISA for the entire plan, as if the plan had been terminated by the PBGC immediately after the date of the cessation of operations, multiplied by a fraction—

(1) The numerator of which is the number of the employer's employees who are participants under the plan and are separated from employment as a result of the cessation of operations; and

(2) The denominator of which is the total number of the employer's current employees, as determined immediately before the cessation of operations, who are participants under the plan.

(b) *Example.* Company X sponsors a pension plan with 50,000 participants of which 20,000 are current employees and 30,000 are retirees or deferred vested participants. On a PBGC termination basis, the plan is underfunded by \$80 million. Company X ceases operations at a facility resulting in the separation

from employment of 5,000 employees, all of whom are participants in the pension plan. A section 4062(e) event has occurred, and the PBGC will determine the amount of employer liability under section 4063(b) of ERISA. The numerator described in paragraph (a)(1) of this section is 5,000 and the denominator described in paragraph (a)(2) of this section is 20,000. Therefore, the amount of liability under section 4063(b) of ERISA pursuant to section 4062(e) is \$20 million (5,000/20,000 × \$80 million).

PART 4063—LIABILITY OF SUBSTANTIAL EMPLOYER FOR WITHDRAWAL FROM SINGLE-EMPLOYER PLANS UNDER MULTIPLE CONTROLLED GROUPS AND OF EMPLOYER EXPERIENCING A CESSATION OF OPERATION

■ 7. The authority citation for part 4063 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3).

■ 8. Revise paragraph (a) of § 4063.1 to read as follows:

§ 4063.1 Cross-references

(a) Part 4062 of this chapter sets forth rules for determination and payment of the liability incurred, under section 4062(b) of ERISA, upon termination of any single-employer plan and, to the extent appropriate, determination of the liability incurred with respect to multiple employer plans under sections 4063 and 4064 of ERISA. Part 4062 also sets forth rules for determining the amount of liability incurred under section 4063 of ERISA pursuant to the occurrence of a cessation of operations as described by section 4062(e) of ERISA.

* * * * *

Issued in Washington, DC, this 13th day of June, 2006.

Elaine L. Chao,

Chairman, Board of Directors, Pension Benefit Guaranty Corporation.

Issued on the date set forth above pursuant to a resolution of the Board of Directors authorizing its Chairman to issue this final rule.

Judith R. Starr,

Secretary, Board of Directors, Pension Benefit Guaranty Corporation.

[FR Doc. E6-9503 Filed 6-15-06; 8:45 am]

BILLING CODE 7708-01-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[CGD05-06-052]

RIN 1625-AA87

Security Zone; Severn River and College Creek, Annapolis, MD

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule; correction.

SUMMARY: The Coast Guard published a document in the **Federal Register** on June 1, 2006 (71 FR 31088), correcting the coordinates described in the security zone. However, that correction contained an incorrect section number. This document corrects that section number.

DATES: The correction to this rule is effective May 25, 2006. The rule itself is effective May 26, 2006.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket CGD05-06-052 and are available for inspection or copying at Commander, Coast Guard Sector Baltimore, 2401 Hawkins Point Road, Baltimore, Maryland 21226-1791, between 9 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Ronald L. Houck, Waterways Management Division, U.S. Coast Guard Sector Baltimore, telephone 410-576-2674, Fax 410-576-2553.

SUPPLEMENTARY INFORMATION: In FR Doc. E6-8428 appearing on page 31088 in the **Federal Register** of June 1, 2006, the following correction to the section number is made:

§ 165.35-T05-052 [Corrected]

■ 1. On page 31088, in the third column, correct the bold heading four lines below the **SUPPLEMENTARY INFORMATION** heading to read “§ 165.T05-052 [Corrected]”.

■ 2. On page 31088, in the third column, in the second and third lines of instruction 1., correct the section number and heading to read “§ 165.T05-052 Severn River and College Creek, Annapolis, MD”.

Dated: June 9, 2006.

Stefan G. Vencus,

Chief, Office of Regulations and Administrative Law, United States Coast Guard.

[FR Doc. E6-9411 Filed 6-15-06; 8:45 am]

BILLING CODE 4910-15-P