between the party in interest to a plan and the insurance company pooled separate account be kept by the insurance company for six years from the date of the transaction. The majority of this recordkeeping is considered to be usual business practice in the insurance industry. Without this ICR, the Department would be unable to effectively enforce the terms of the exemption, insure user compliance, and protect the interests of participants and beneficiaries.

Type of Review: Extension of currently approved collections of information.

Agency: Pension and Welfare Benefits Administration.

Title: Prohibited Transaction Exemption 90–1—Pooled Separate Accounts.

OMB Number: 1210–0083.

Recordkeeping: Six years.

Affected Public: Individuals or households; Business or other for-profit; Not-for-profit institutions.

Total Respondents: 128.

Average Time per Response: 5 minutes.

Estimated Total Burden Hours: 11 hours.

This notice requests comments on the extension of the ICR included in Prohibited Transaction Class Exemption 90–1. The Department is not proposing or implementing changes to the existing ICR at this time. Comments received in response to this notice will be summarized and/or incorporated in the submission to OMB for continued clearance of the ICR; they will also become a matter of public record.


Gerald B. Lindrew,

Deputy Director, Office of Policy and Research, Pension and Welfare Benefits Administration.

[FR Doc. 00–1782 Filed 1–25–00; 8:45 am]
SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a preclearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA 95) (44 U.S.C. 3506(c)(2)(A)). This helps to ensure that required data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed.

The Pension and Welfare Benefits Administration is soliciting comments concerning revision of two currently approved information collection requests (ICRs), Prohibited Transaction Class Exemption 76–1, OMB Number 1210–0058, and Prohibited Transaction Class Exemption 77–10, OMB Number 1210–0081. The Department proposes to revise the ICR currently approved under OMB Number 1210–0058 by incorporating the information collection provisions of Prohibited Transaction Class Exemption 77–10 into OMB Number 1210–0058, and allowing OMB Number 1210–0081 to expire on April 30, 2000. A copy of the ICR may be obtained by contacting the office listed in the addresses section of this notice.

DATES: Written comments must be submitted to the office shown in the addresses section below on or before March 27, 2000.


DEPARTMENT OF LABOR
Pension and Welfare Benefits Administration

Proposed Revision of Information Collection; Comment Request; Prohibited Transaction Exemptions 76–1 and 77–10

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a preclearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA 95) (44 U.S.C. 3506(c)(2)(A)). This helps to ensure that required data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed.

The Pension and Welfare Benefits Administration is soliciting comments concerning revision of two currently approved information collection requests (ICRs), Prohibited Transaction Class Exemption 76–1, OMB Number 1210–0058, and Prohibited Transaction Class Exemption 77–10, OMB Number 1210–0081. The Department proposes to combine the information collection provisions of both under one OMB control number (OMB Number 1210–0058). The Department believes the public will benefit by having the opportunity to comment on the information collection provisions at the same time because Prohibited Transaction Class Exemption 77–10 is not likely to be used without its counterpart Prohibited Transaction Class Exemptions 76–1, Part C, and because the paperwork burden for both exemptions is essentially a single burden. After the information collection provisions of Prohibited Transaction Class Exemption 77–10 are incorporated in the revised ICR under OMB Number 1210–0058, the Department intends to allow the control number for Prohibited Transaction Class Exemption 77–10 to expire.

The existing collection of information under Prohibited Transaction Class Exemptions 76–1 and 77–10 should be continued because without the relief provided by these exemptions; contributing employers would not be able to make late or partial payments to plans, even in justifiable circumstances; contributing employers would be unable to obtain construction financing from plans and the plans would be denied this investment opportunity; and plans would not be able to receive income from leasing available office space or providing services to certain parties in interest.

The recordkeeping requirements incorporated within Prohibited Transaction Class Exemption 76–1 are intended to protect the interest of plan participants and beneficiaries. Each part of the exemption differs somewhat in paperwork. Under Part A, the terms of an arrangement or agreement between a plan and a participating employer extending time for a contributing or accepting less than the amount owed must be set forth in writing. Also, a determination by a plan to consider an unpaid employer contributing as uncollectible must be set forth in writing. Under Part B, before a construction loan is made by a plan to a participating employer, the employer and the plan must receive a written commitment for permanent financing from a person other than the plan concerning full repayment of the loan upon completion of construction. In

SUPPLEMENTARY INFORMATION:

I. Background

Prohibited Transaction Class Exemption 76–1 permits parties in interest, under specified conditions, to (A) make delinquent employer contributions; (B) receive loans; (C) and, obtain office space, administrative services and goods from plans. In the absence of this exemption, certain aspects of these transactions might be prohibited by section 406(a) and 407(a) of the Employee Retirement Income Security Act of 1974 (the Act).

Under Part C of Prohibited Transaction Class Exemption 76–1, a multiple employer plan may provide administrative services or goods to a participating employer, a union, or another plan which is a party in interest. Under section 406(b)(2) of the Act, however, fiduciaries are prohibited from involving an employee benefit plan on behalf of a party (or representing a party) whose interests are adverse to the interests of a plan or to the interests of its participants or beneficiaries. Therefore, transactions between parties in interest involving administrative goods and services, exempt under the terms of Prohibited Transaction Class Exemption 76–1, might still be prohibited under section 406(b)(2) in the absence of a separate exemption. Prohibited Transaction Class Exemption 77–10, authorizes a multiple employer plan to provide the goods and services described in Part C if certain conditions are met and provides relief from the provisions of section 406(b)(2).

II. Desired Focus of Comments

The Department is particularly interested in comments which
• Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
• Evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
• Enhance the quality, utility, and clarity of the information to be collected; and
• Minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

III. Current Actions

Because Prohibited Transaction Class Exemption 77–10 (OMB Number 1210–0081) complements Prohibited Transaction Class Exemption 76–1 (OMB Number 1210–0058), the Department proposes to combine the information collection provisions of both under one OMB control number (OMB Number 1210–0058). The Department believes the public will benefit by having the opportunity to comment on the information collection provisions at the same time because Prohibited Transaction Class Exemption 77–10 is not likely to be used without its counterpart Prohibited Transaction Class Exemptions 76–1, Part C, and because the paperwork burden for both exemptions is essentially a single burden. After the information collection provisions of Prohibited Transaction Class Exemption 77–10 are incorporated in the revised ICR under OMB Number 1210–0058, the Department intends to allow the control number for Prohibited Transaction Class Exemption 77–10 to expire.

The existing collection of information under Prohibited Transaction Class Exemptions 76–1 and 77–10 should be continued because without the relief provided by these exemptions; contributing employers would not be able to make late or partial payments to plans, even in justifiable circumstances; contributing employers would be unable to obtain construction financing from plans and the plans would be denied this investment opportunity; and plans would not be able to receive income from leasing available office space or providing services to certain parties in interest.

The recordkeeping requirements incorporated within Prohibited Transaction Class Exemption 76–1 are intended to protect the interest of plan participants and beneficiaries. Each part of the exemption differs somewhat in paperwork. Under Part A, the terms of an arrangement or agreement between a plan and a participating employer extending time for a contributing or accepting less than the amount owed must be set forth in writing. Also, a determination by a plan to consider an unpaid employer contributing as uncollectible must be set forth in writing. Under Part B, before a construction loan is made by a plan to a participating employer, the employer and the plan must receive a written commitment for permanent financing from a person other than the plan concerning full repayment of the loan upon completion of construction. In