

# Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## JOINT BOARD FOR THE ENROLLMENT OF ACTUARIES

### Restructuring of Enrolled Actuary Examinations

**AGENCY:** Joint Board for the Enrollment of Actuaries

**ACTION:** Notice.

**SUMMARY:** This notice describes the proposal by the Joint Board for the Enrollment of Actuaries ("Joint Board") to restructure the examinations it offers to those individuals seeking the status of Enrolled Actuary (EA). It also provides notice of the Joint Board's proposal for awarding transition credits to those individuals who have completed, or will complete, part of the current enrollment examination program before the spring of 2001, when the Board expects to begin offering the new examinations. Finally, this notice provides interested parties with an opportunity to comment on the proposals.

**DATES:** Written comments on these proposed changes to the enrollment examinations or on the proposed transition credits are invited and must be received on or before April 26, 1999.

**ADDRESSES:** Written comments should be submitted with a signed original and three copies to the Office of the Director of Practice, Internal Revenue Service, at the following address: Mr. Patrick W. McDonough, Director of Practice, Internal Revenue Service, Office of Director of Practice C:AP:DOP, 1111 Constitution Avenue, NW, Washington, D.C. 20224.

All submissions will be open to public inspection and copying in room 1621, 1111 Constitution Avenue, NW, Washington, D.C. from 9 a.m. to 4 p.m.

**FOR FURTHER INFORMATION CONTACT:** Paulette Tino, Joint Board for the Enrollment of Actuaries, at (202) 622-7192, or Michael Roach, Joint Board for the Enrollment of Actuaries, at (202) 622-3415.

### SUPPLEMENTARY INFORMATION:

#### Background

The Joint Board was established by the Secretary of the Treasury and by the Secretary of Labor under the authority of section 3041 of the Employee Retirement Income Security Act of 1974 (ERISA). The Joint Board is responsible for the enrollment of individuals who wish to perform actuarial services under ERISA. Consistent with that mandate, the Joint Board has promulgated regulations governing eligibility for enrollment. Those regulations are published at 20 CFR Part 901. An individual who wishes to be enrolled may satisfy the examination requirements for enrollment by passing the examinations offered by the Joint Board. At present the examinations leading to recognition as an Enrolled Actuary consist of two examinations, one of which is in two segments. The basic actuarial examination covers actuarial mathematics and consists of two segments, namely, actuarial mathematics (EA-1A) and pension actuarial mathematics (EA-1B). The pension law examination covers ERISA and other relevant statutes and their application to specific problems (EA-2). The last major revision of the format of the enrollment examinations was in 1984.

Since the last revision of the enrollment examinations, the law and regulations relating to pension plans have been amended many times. As a result, the current format of the enrollment examinations no longer provides the examiners with a sufficient opportunity to test the candidate's knowledge of the relevant pension law and of actuarial mathematics. The need to cover the types of actuarial problems arising under current pension laws and the need to conform the Joint Board's examination programs to recent developments in actuarial theory and practice have led the Joint Board to conclude that its current examination structure needs to be improved. The Board has determined that a restructuring of its examinations will improve its ability to determine whether those who seek enrollment have demonstrated competence in both the law and the actuarial theory which is relevant to the performance of pension actuarial services.

These matters were discussed by the Advisory Committee on Actuarial Examinations and the public at a meeting held for that purpose on June 30, 1998. Further consideration has been given to these issues by the Joint Board and by the co-sponsors of its examinations, the Society of Actuaries and the American Society of Pension Actuaries. As a result of these discussions, the Joint Board, the Society of Actuaries, and the American Society of Pension Actuaries have agreed that a restructuring of both the basic actuarial examination and the pension law examination is needed for adequate testing of candidates for enrollment.

#### Executive Order 12866

Executive Order 12866 requires agencies to assess all costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects; distributive impacts; and equity). Since no modification of any regulation is contemplated in this Notice, Executive Order 12866 does not affect this notice.

#### Regulatory Flexibility Act, Unfunded Mandates Reform Act of 1995, and Small Business Regulatory Enforcement Fairness Act of 1996

Because the changes to the examination program of the Joint Board contemplated in this Notice do not require any change to existing regulations, the statutes cited in the caption of this section do not affect this Notice.

*Drafting information.* The principal author of this Notice is Ms. Paulette Tino, Chair, Joint Board for the Enrollment of Actuaries.

#### Proposed Modification

The Joint Board for the Enrollment of Actuaries has under consideration the restructuring of the examinations it offers under 20 CFR 901.13(d)(1). The need for restructuring is based on the expansion of the body of law affecting the private pension system and the corresponding increase in the complexity of the work for which enrolled actuaries are responsible. The syllabus of the current law examination, one of two examinations an individual must pass in order to meet the knowledge requirement for enrollment,

does not provide sufficient opportunity to test a candidate's knowledge of the relevant pension law. In addition, the pension mathematics segment of the basic actuarial examination does not cover sufficient material to test a candidate's ability to apply sound actuarial techniques to the increasingly complex regulatory environment in which defined benefit pension plans operate.

As a result of discussions held at a public meeting on June 30, 1998, and in other public forums, the Joint Board and the examination co-sponsors, the Society of Actuaries and the American Society of Pension Actuaries, propose to restructure the examination program.

The major topics for the restructured basic actuarial examination would be (1) compound interest, and (2) life contingencies. These topics are now covered in the first segment of the basic actuarial examination (EA-1A). The restructured examination covering these topics would be 2½ hours long, the same length as the current EA-1A examination.

The restructured pension law examination would be offered in two segments. The first would cover basic pension mathematics, including the law and regulations that relate to funding qualified defined benefit pension plans that are neither overfunded nor seriously underfunded. The second segment would cover the remaining relevant law and regulations. This would include treatment of overfunded plans, deficit reduction contributions, qualification standards, etc. A minimum standard of competence would be established for each segment. Each segment of the restructured pension law examination would be 4 hours long.

It is the Joint Board's intention to offer each examination once a year. The basic actuarial examination and the second segment of the pension law examination would be offered in the spring. The first segment of the pension law examination would be offered in the fall. It is anticipated that the restructured program will take effect in the spring of 2001 when the basic actuarial examination and the second segment of the pension law examination will be offered.

Appropriate transition credits would be accorded to persons who have successfully completed portions of the enrollment examination before 2001. The Joint Board is considering the following system of transition credits:

(1) A person who has successfully completed the first segment of the current basic actuarial examination before 2001 will receive credit for the restructured basic actuarial examination and will satisfy the

examination requirement of the Joint Board's regulations only if he or she passes *both* segments of the restructured pension law examination.

(2) A person who has successfully completed *both* segments of the current basic actuarial examination before 2001 will receive credit for the restructured basic actuarial examination and will satisfy the examination requirement of the Joint Board's regulations only if he or she passes *both* segments of the restructured pension law examination.

(3) A person who has successfully completed the first segment of the current basic actuarial examination *and* the current pension law examination before 2001 will receive credit for the restructured basic actuarial examination *and* for the second segment of the restructured pension law examination and will satisfy the examination requirement of the Joint Board's regulations only if he or she passes the first segment of the restructured pension law examination.

(4) A person who has successfully completed the second segment of the current basic actuarial examination *and* the current pension law examination before 2001 will receive credit for *both* segments of the restructured pension law examination and will satisfy the examination requirement of the Joint Board's regulations only if he or she passes the restructured basic actuarial examination.

(5) A person who has successfully completed the current pension law examination before 2001 will receive credit for the second segment of the restructured pension law examination and will satisfy the examination requirement of the Joint Board's regulations only if he or she passes the restructured basic actuarial examination *and* the first segment of the restructured pension law examination.

(6) A person who does not meet the requirements of one of the preceding five paragraphs before 2001 will receive no credit for any examinations passed under the current examination program and will satisfy the examination requirement of the Joint Board's regulations only if he or she passes the restructured basic actuarial examination *and both* segments of the restructured pension law examination.

The above restructuring is subject to approval by the respective co-sponsors of the examination. This proposal is intended to reflect the views expressed at the public meetings held by the Joint Board and by the co-sponsoring organizations up to the present time. However, the Joint Board welcomes further public comments on the restructuring. Persons desiring to submit comments should submit them in writing on or before April 26, 1999, to the address given above.

Examination candidates will be furnished with more details on the restructuring after it has been approved.

**Paulette Tino,**

*Chair, Joint Board for the Enrollment of Actuaries.*

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## DEPARTMENT OF AGRICULTURE

### Forest Service

#### **Proposed West Fork Weiser Watershed Projects, Payette National Forest, Idaho**

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of intent to prepare an environmental impact statement.

**SUMMARY:** The Forest Service will prepare an environmental impact statement (EIS) for the proposed West Fork Weiser Watershed Projects, New Meadows Ranger District, Payette National Forest, Idaho. The proposed action would harvest timber, obliterate roads to reduce sediment, close other roads to reduce wildlife vulnerability, control noxious weeds, and construct a developed campground near Lost Valley Reservoir. A range of alternatives, including the no action alternative, will be developed as appropriate to address issues.

The agency invites comments and suggestions on the scope of the analysis to be included in the draft environmental impact statement (DEIS). In addition, the agency gives notice of the full environmental analysis and decision making process that is beginning on the proposal so that interested and affected people know how they may participate and contribute to the final decision.

**DATE:** Comments on the scope of the analysis must be received by April 10, 1999.

**ADDRESS:** Submit written comments and suggestions concerning the scope of the analysis to Chris Hescook, West Fork Weiser Watershed Projects Team Leader, New Meadows Ranger District, Payette National Forest, Drawer J, New Meadows, Idaho 83654.

**FOR FURTHER INFORMATION CONTACT:** Questions about the proposed action should be directed to Chris Hescook, phone (208) 634-0608.

**SUPPLEMENTARY INFORMATION:** The Payette National Forest Plan (1988) provides Forest-wide direction for management of the resources of the Payette National Forest, including timber. The environmental impact