

comply with the provisions of Executive Order 12866, as amended by Executive Order 13258. We are correcting the age at which the receipt of workers' compensation or public disability benefits no longer affect the disability benefit from age 62 to age 65.

We are revising § 404.352 to reflect the change in full retirement age as mandated by section 201 of the 1983 Amendments. We are rewriting this section in plain language format to comply with the provisions of Executive Order 12866, as amended by Executive Order 13258. We are expanding the explanation of when benefits end.

We are revising § 404.410 to reflect the change in full retirement age as mandated by section 201 of the 1983 Amendments. We are rewriting this section in plain language format to comply with the provisions of Executive Order 12866, as amended by Executive Order 13258. We are adding an explanation that benefits to a widow or widower based on disability before age 60 are reduced only for months before full retirement age because the disabled widow or widower is deemed to be age 60.

We are revising §§ 404.201, 404.310, 404.311, 404.312, 404.335, 404.336, 404.337, 404.338, 404.411, 404.412, 404.413, 404.421, 404.621 and 404.623 to reflect the change in full retirement age mandated by section 201 of the 1983 Amendments. We are rewriting these entire sections in plain language format to comply with the provisions of Executive Order 12866, as amended by Executive Order 13258.

### Regulatory Procedure

Pursuant to section 702(a)(5) of the Social Security Act, 42 U.S.C. 902(a)(5), we follow the Administrative Procedure Act (APA) rulemaking procedures specified in 5 U.S.C. 553 when developing our regulations. The APA provides exceptions to its notice and comment procedures when an agency finds there is good cause for dispensing with such procedures on the basis that they are impracticable, unnecessary, or contrary to the public interest. We have determined that under 5 U.S.C. 553(b)(B), good cause exists for dispensing with the notice and public comment procedures for these rules. Good cause exists because these regulations simply reflect statutory changes and do not involve the making of any discretionary policy. Therefore, we have determined that opportunity for prior comment is unnecessary and we are issuing these changes to our regulations as final rules.

In addition, we find good cause for dispensing with the 30-day delay in the

effective date of a substantive rule, provided by 5 U.S.C. 553(d). As explained above, these regulations merely reflect self-executing statutory changes that have their own effective dates. We believe it would be misleading and contrary to the public interest for the regulations to show a later effective date, because we must compute benefits as directed by the statute in all cases.

### *Executive Order 12866, as Amended by Executive Order 13258*

We have consulted with the Office of Management and Budget (OMB) and determined that these final rules do not meet the criteria for a significant regulatory action under Executive Order 12866, as amended by Executive Order 13258. Thus, they were not subject to OMB review.

### *Paperwork Reduction Act*

These final regulations impose no additional reporting or recordkeeping requirements requiring OMB clearance.

### *Regulatory Flexibility Act*

We certify that these final regulations will not have a significant economic impact on a substantial number of small entities because they affect only individuals. Therefore, a regulatory flexibility analysis as provided in the Regulatory Flexibility Act, as amended, is not required.

(Catalog of Federal Domestic Assistance Program Nos. 96.001, Social Security—Disability Insurance; 96.002, Social Security—Retirement Insurance; and 96.004, Social Security—Survivors Insurance)

### List of Subjects in 20 CFR Part 404

Administrative practice and procedure, Blind, Disability benefits, Old-age, Survivors and disability insurance, Reporting and recordkeeping requirements, Social Security.

Dated: January 21, 2003.

**Jo Anne B. Barnhart,**  
*Commissioner of Social Security.*

For the reasons set out in the preamble, we are amending subparts C, D, E, and G of part 404 of chapter III of title 20 of the Code of Federal Regulations as set forth below:

### **PART 404—FEDERAL OLD-AGE, SURVIVORS AND DISABILITY INSURANCE (1950— )**

#### **Subpart C—[Amended]**

1. The authority citation for subpart C of part 404 continues to read as follows:

**Authority:** Secs. 202(a), 205(a), 215, and 702(a)(5) of the Social Security Act (42 U.S.C. 402(a), 405(a), 415, and 902(a)(5)).

2. Section 404.201 is revised to read as follows:

#### **§ 404.201 What is included in this subpart?**

In this subpart we describe how we compute your primary insurance amount (PIA), how and when we will recalculate or recompute your PIA to include credit for additional earnings, and how we automatically adjust your PIA to reflect changes in the cost of living.

(a) *What is my primary insurance amount?* Your primary insurance amount (PIA) is the basic figure we use to determine the monthly benefit amount payable to you and your family. For example, if you retire in the month you attain full retirement age (as defined in § 404.409) or if you become disabled, you will be entitled to a monthly benefit equal to your PIA. If you retire prior to full retirement age your monthly benefit will be reduced as explained in §§ 404.410—404.413. Benefits to other members of your family are a specified percentage of your PIA as explained in subpart D. Total benefits to your family are subject to a maximum as explained in § 404.403.

(b) *How is this subpart organized?* (1) In §§ 404.201 through 404.204, we explain some introductory matters.

(2) In §§ 404.210 through 404.213, we describe the average-indexed-monthly-earnings method we use to compute the primary insurance amount (PIA) for workers who attain age 62 (or become disabled or die before age 62) after 1978.

(3) In §§ 404.220 through 404.222, we describe the average-monthly-wage method we use to compute the PIA for workers who attain age 62 (or become disabled or die before age 62) before 1979.

(4) In §§ 404.230 through 404.233, we describe the guaranteed alternative method we use to compute the PIA for people who attain age 62 after 1978 but before 1984.

(5) In §§ 404.240 through 404.243, we describe the old-start method we use to compute the PIA for those who had all or substantially all of their social security covered earnings before 1951.

(6) In §§ 404.250 through 404.252, we describe special rules we use to compute the PIA for a worker who previously had a period of disability.

(7) In §§ 404.260 through 404.261, we describe how we compute the special minimum PIA for long-term, low-paid workers.

(8) In §§ 404.270 through 404.278, we describe how we automatically increase your PIA because of increases in the cost of living.