

# NCCMP 2022 Lawyers and Administrators Meeting

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*March 22, 2022*



- Special Financial Assistance (SFA) Program Update
- Implementation activity to-date under the interim final rule
- Multiemployer Program Financial Condition
- Questions

*Separate Sessions this morning with:*

- *Jim Donofrio & Julie Cameron on the SFA application process*
- *Bruce Perlin & John Ginsberg on the Regulatory Agenda and non-SFA requests*

# SFA Implementation Activity

- Listening Sessions
- Rulemaking
- Webinars, application guidance and FAQs
- Application e-filing portal opened
- Application information and status updates on [pbgc.gov](http://pbgc.gov)
- SFA application reviews, approvals and payments
- Behind the scenes –
  - *Consultations with our Board agencies*
  - *Hiring and redeployment of PBGC staff*
  - *Accounting changes and Treasury funding mechanism*
  - *Maintaining high levels of customer service and responsiveness under maximum telework*

# SFA Program Rulemaking

- Interim Final Rule Published in July 2021
- Topics in public comments:
  - Permissible investments for SFA funds
  - Interest rate assumptions
  - Amount of SFA
  - Fiduciary concerns for plans with suspended benefits
  - Plan mergers
  - Withdrawal liability and other conditions
  - Payment of reinstated benefits
- Now preparing a final rule, in consultation with Board Agencies

# SFA Applications Summary

(as of March 18, 2022)

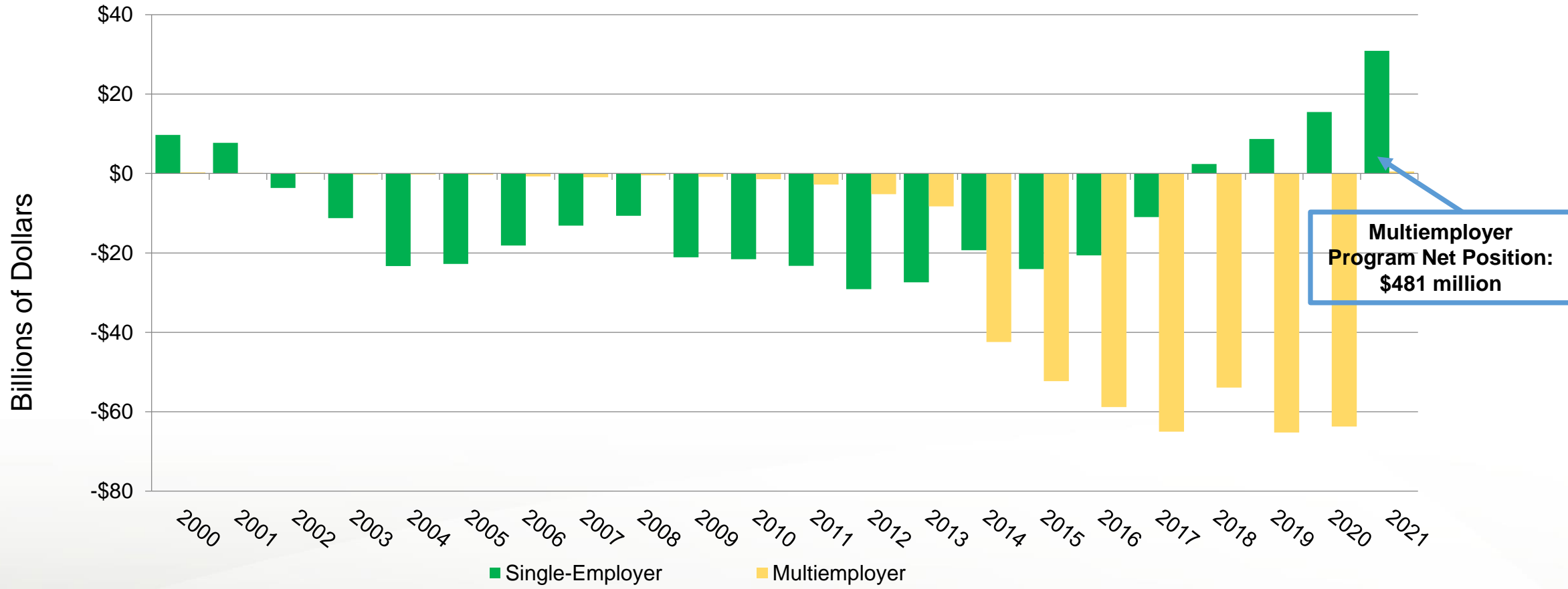
Application Status	# of Applications	Total Amount of SFA Approved or Requested	Total # of Plan Participants
Approved Applications	7	\$1.3 billion	10,367
Applications currently under review	26	\$6.9 billion*	160,973

\* Amount requested does not include repayment of the regular financial assistance insolvent plans previously received from PBGC or interest from plans' SFA measurement date.

# SFA Application Approvals (as of March 18, 2022)

Plan Name	Union	Location	Total Participants	SFA Approved (\$ in millions)
Local 138 Pension Plan	IBT	Baldwin, NY	1,752	\$112.6
Idaho Signatory Employers-Laborers Pension Plan	LIUNA	Portland, OR	682	\$13.9
Bricklayers and Allied Craftworkers Local 5 New York Retirement Fund Pension Plan	BAC	Newburgh, NY	821	\$61.8
Road Carriers Local 707 Pension Plan	IBT	Hempstead, NY	3,804	\$812.3
Local 408 International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America Pension Plan	IBT	Union, NJ	1,058	\$100.5
Local 584 Pension Plan	IBT	New York, NY	2,172	\$229.8
Milk Industry Office Employees Pension Plan	IBT	New York, NY	78	\$8.2

# FY 2000-2021 Net Financial Position



# FY 2021 Program Summary

	Single-Employer	Multiemployer
FY 2021 PBGC financial position		
• Total assets	\$150.7 billion	\$3.5 billion
• Total liabilities includes “probable” losses	\$119.8 billion	\$3.0 billion
• Net position	\$30.9 billion	\$481 million
Insurable event	Plan Termination	Plan Insolvency
FY 2021 premium income	\$4.5 billion	\$331 million
FY 2021 benefit payments/financial assistance	\$6.4 billion	\$230 million
Number of covered plans	23,900	1,360
Number of participants in covered plans	22.7 million	10.9 million
2022 maximum annual guaranteed benefit	\$74,454.60 for age 65 retiree, regardless of service	\$12,870* for retiree with 30 years of service, regardless of age

7 \*Two-tier guarantee: 100% of the first \$3,960, 75% of the next \$11,880. Not indexed.



## ARP significantly improves the Multiemployer Program's Projected Financial Status

**Figure 2 – Improvement in Multiemployer Program Condition from FY 2019 to FY 2020**

	<b>FY 2019 Model (Pre-ARP)</b>	<b>FY 2020 Model (Post-ARP)</b>
Projected FY 2030 Mean Net Financial Position (\$ billions)	(\$87.9)*	(\$6.7)
Median Projected Year of PBGC Insolvency	FY 2026	FY 2055

\* The Pre-ARP expected FY 2030 mean net financial position is based on the ME-PIMS model used in the FY 2019 Projections Report, with the expected FY 2029 mean net financial position adjusted to reflect the passage of time.

## Questions?

For official PBGC statements, please contact  
PBGC Public Affairs at 202-229-4343 or  
[PBGCExternalAffairs@PBGC.gov](mailto:PBGCExternalAffairs@PBGC.gov).

