



Pennsylvania Conference of Teamsters

Strength in Numbers 95,000

LEGISLATIVE ACTION ALERT

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PBGC Approves Special Financial Assistance Application

Teamsters Local 641 Plan Participants' Benefits to be Restored

FOR IMMEDIATE RELEASE

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WASHINGTON, D.C. — The Pension Benefit Guaranty Corporation (PBGC) announced today that it has approved the application submitted to the [Special Financial Assistance \(SFA\) Program](#) by the Teamsters Local 641 Pension Plan (Local 641 Plan). The plan, based in Union, New Jersey, covers 3,610 participants in the transportation industry.

The Local 641 Plan became insolvent in March 2021. At that time, PBGC started providing financial assistance to the plan. As required by law, the Local 641 Plan reduced participants' benefits to the PBGC guarantee levels, which was roughly 55 percent below the benefits payable under the terms of the plan.

PBGC's approval of the SFA application enables the plan to restore all benefit reductions caused by the plan's insolvency and to make payments to retirees to cover prior benefit reductions. SFA will enable the plan to pay retirement benefits without reduction for many years into the future. The plan will receive \$503.9 million in SFA, including interest to the expected date of payment to the plan.

"Today, President Biden's American Rescue Plan has provided \$503.9 million in Special Financial Assistance to the Teamsters Local 641 Pension Plan that delivers on the promise of a secure retirement made to these workers by providing them the full retirement benefits they have earned," said U.S. Secretary of Labor Marty Walsh, Chair of the Pension Benefit Guaranty Corporation Board of Directors. "America's workers depend on the retirement benefits they earned and should never receive anything less, and that includes these 3,610 New Jersey transportation workers who will have their retirement benefits restored."

In addition to the \$503.9 million of SFA paid to the plan, PBGC's Multiemployer Insurance Program will be repaid \$13.0 million, which is the amount of the plan's outstanding loans, including interest, for the financial assistance PBGC provided beginning in March 2021 and ending on the expected date of payment of SFA to the plan.

