



Trucking Employees of North Jersey Pension Fund Repaid \$7.6 Million in Excess Special Financial Assistance Funds

On July 2, 2025, the Trucking Employees of North Jersey Welfare Fund Inc. Pension Fund ("Trucking Employees of North Jersey") repaid more than \$7.6 million in excess funds attributed to deceased participants that it received from the Pension Benefit Guaranty Corporation (PBGC) in connection with the PBGC's Special Financial Assistance (SFA) program.

The American Rescue Plan (ARP) Act of 2021 (Public Law 117-2) established the SFA program for financially troubled multiemployer pension plans. The law addresses the solvency of PBGC's Multiemployer program, which was projected to become insolvent in 2026. The SFA program provides financial assistance to severely underfunded multiemployer defined benefit pension plans. The SFA program is administered by the PBGC and funded entirely by appropriations from the General Fund of the U.S. Department of the Treasury. The SFA program authorizes PBGC to make one-time payments to certain eligible multiemployer pension plans in the amount that was projected to enable the plans to pay all benefits through 2051. As of June 30, 2025, the PBGC has approved 160 applications for \$70 billion in SFA. Trucking Employees of North Jersey were paid roughly \$774 million from the SFA program in 2022 and 2023.

In order for a multiemployer pension plan to include a participant in SFA benefit projections, that person must be alive. The inclusion of deceased participants in the census data would overstate the SFA amount an eligible multiemployer plan would receive. In recent years, the PBGC Office of Inspector General (OIG) has issued several reports with recommendations to PBGC on deceased participants in SFA applications. Over time, based on these recommendations, PBGC has implemented procedures to perform independent death audits to identify deceased participants and required eligible multiemployer plans to adjust the census data used for the SFA application. PBGC retroactively reviewed multiemployer plans that were paid SFA prior to these independent audits, and those plans have repaid the U.S. Treasury for the excess SFA attributed to deceased participants.

Since Trucking Employees of North Jersey was paid SFA prior to OIG's oversight reports and recommendations, PBGC OIG investigated the Trucking Employees of North Jersey and determined the plan included 89 deceased participants among the more than 6,100 plan participants used in the plan's SFA application. The investigation

revealed that, because of the inclusion of deceased participants, the Trucking Employees of North Jersey's SFA payment was overstated by approximately \$7.6 million. The Board of Trustees for the Trucking Employees of North Jersey fully cooperated with PBGC OIG's investigation and voluntarily repaid the entirety of the excess SFA funds on July 2, 2025.