

Pension Benefit Guaranty Corporation—CBO's Reestimate of the President's FY 2015 Budget Proposal

(By fiscal year, in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2014 - 2024
Allow PBGC to set premium rates ^a												
Single employer premiums	0	0	0	0	-791	-989	-1,202	-1,399	-1,597	-1,810	-2,008	-9,796
Multi-employer premiums	0	0	0	0	-263	-329	-400	-467	-533	-603	-669	-3,264
Multi-employer financial assistance ^b	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,654</u>	<u>533</u>	<u>603</u>	<u>669</u>	<u>3,459</u>
Net Savings	0	0	0	0	-1,054	-1,318	-1,602	-212	-1,597	-1,810	-2,008	-9,601

Note: PBGC = Pension Benefit Guaranty Corporation.

- a. The President's Budget proposes to give PBGC the authority to set premium rates in both the single employer and multi-employer programs, but does not specify how to allocate the premium increase across the two programs. For this estimate, CBO assumed that 75 percent of the increase would be for the single employer program and 25 percent for the multi-employer program.
- b. CBO projects that the multi-employer revolving fund will be exhausted in 2021. CBO expects that after the fund is exhausted, PBGC will reduce financial assistance to a level that could be supported with premium income. This proposal would increase the funds available to pay benefits by the amount of the increased premium income plus any interest those funds would earn.