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PBGC

Government Shutdown Wouldn't Hinder Pension Insurer

The federal agency that insures traditional pensions will keep on humming whether or not Congress agrees to appropriate money to keep the government going.

The Pension Benefit Guaranty Corporation “doesn't rely on funds appropriated by Congress” and therefore will continue operating as it normally would, James J. Keightley, partner with Keightley & Ashner in Washington, told Bloomberg Law Jan. 19. Congress annually places a cap on the amount of money the PBGC can use to pay for its administrative expenses but that cap ap-

plies to the agency's own independently acquired funds, said Keightley, who previously served as the agency's general counsel.

An agency spokesman confirmed Jan. 19 that it doesn't receive funds from Congress.

The PBGC's operations are financed by insurance premiums, investment income, and, for its single-employer insurance program, assets and recoveries from failed single-employer plans.

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