

105TH CONGRESS  
1ST SESSION

# S. 1105

To amend the Internal Revenue Code of 1986 to provide a sound budgetary mechanism for financing health and death benefits of retired coal miners while ensuring the long-term fiscal health and solvency of such benefits, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

JULY 31, 1997

Mr. COCHRAN (for himself and Mr. CONRAD) introduced the following bill;  
which was read twice and referred to the Committee on Finance

---

## A BILL

To amend the Internal Revenue Code of 1986 to provide a sound budgetary mechanism for financing health and death benefits of retired coal miners while ensuring the long-term fiscal health and solvency of such benefits, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Comprehensive Coal Act Reform Act”.

6       (b) AMENDMENT OF 1986 CODE.—Except as other-  
7       wise expressly provided, whenever in this Act an amend-

1 ment or repeal is expressed in terms of an amendment  
 2 to, or repeal of, a section or other provision, the reference  
 3 shall be considered to be made to a section or other provi-  
 4 sion of the Internal Revenue Code of 1986.

## 5 **TITLE I—ASSIGNMENT OF** 6 **LIABILITY TO COAL OPERATORS**

### 7 **SEC. 101. GENERAL CLASSIFICATION OF COAL OPERATORS.**

8 (a) EXEMPTION OF SUPER REACHBACK OPERA-  
 9 TORS.—Section 9701(c)(1) (defining signatory operator)  
 10 is amended to read as follows:

11 “(1) SIGNATORY OPERATOR.—The term ‘signa-  
 12 tory operator’ means a person which is or was a sig-  
 13 natory to—

14 “(A) the 1978 National Bituminous Coal  
 15 Wage Agreement, or

16 “(B) any subsequent coal wage agree-  
 17 ment.”

18 (b) REACHBACK SIGNATORY OPERATOR.—Section  
 19 9701(c) (relating to operators) is amended by adding at  
 20 the end the following new paragraph:

21 “(8) REACHBACK SIGNATORY OPERATOR.—The  
 22 term ‘reachback signatory operator’ means a signa-  
 23 tory operator other than a 1988 agreement opera-  
 24 tor.”

25 (c) EFFECTIVE DATE.—

1 (1) IN GENERAL.—The amendments made by  
 2 this section shall apply to plan years of the Com-  
 3 bined Fund beginning on and after October 1, 1996.

4 (2) WAIVER OF PENALTY.—For waiver of pen-  
 5 alty for super reachback operators, see section  
 6 202(c)(3).

7 **SEC. 102. MODIFICATIONS OF ASSIGNMENTS OF BENE-**  
 8 **FICIARIES TO COAL OPERATORS.**

9 (a) MODIFICATIONS TO REFLECT EXEMPTION FOR  
 10 SUPER REACHBACK OPERATORS.—

11 (1) IN GENERAL.—Section 9706(a) (relating to  
 12 assignment of eligible beneficiaries) is amended by  
 13 striking all that follows the matter preceding para-  
 14 graph (1) and inserting the following:

15 “(1) First, to the signatory operator which was  
 16 the most recent signatory operator to employ the  
 17 coal industry retiree in the coal industry for at least  
 18 2 years.

19 “(2) Second, if the retiree is not assigned under  
 20 paragraph (1), to the signatory operator which was  
 21 the most recent signatory operator to employ the  
 22 coal industry retiree in the coal industry.”

23 (2) EFFECTIVE DATE.—

24 (A) IN GENERAL.—The amendment made  
 25 by paragraph (1) shall apply to plan years of

the Combined Fund beginning on and after October 1, 1996.

(B) TREATMENT OF ELIGIBLE BENEFICIARIES.—The Commissioner of Social Security shall revoke the assignment of any eligible beneficiary to any person who ceases to be a signatory operator for plan years beginning on and after October 1, 1996, by reason of the amendment made by section 101(a) of this Act. The Commissioner shall not reassign such beneficiary under section 9706 of the Internal Revenue Code of 1986, but shall treat such beneficiary as an unassigned eligible beneficiary for purposes of applying chapter 99 of such Code.

(b) TERMINATION OF ASSIGNMENT OF ELIGIBLE BENEFICIARIES.—Section 9706 (relating to assignment of eligible beneficiaries) is amended by adding at the end the following new subsection:

“(h) TERMINATION OF ASSIGNMENT.—

“(1) IN GENERAL.—The Commissioner of Social Security shall not assign or reassign an eligible beneficiary to a signatory operator on or after the date of the enactment of this subsection.

“(2) TREATMENT OF BENEFICIARIES.—If, after the date under paragraph (1), the Commissioner of

1 Social Security determines under subsection (f) that  
 2 an eligible beneficiary was incorrectly assigned, such  
 3 beneficiary shall be treated as an unassigned eligible  
 4 beneficiary for purposes of this title.”

5 (c) CLARIFICATION THAT ASSIGNMENTS EXCLU-  
 6 SIVELY CARRIED OUT BY COMMISSIONER.—

7 (1) IN GENERAL.—Section 9706, as amended  
 8 by subsection (b), is amended by adding at the end  
 9 the following new subsection:

10 “(i) COMMISSIONER HAS EXCLUSIVE AUTHORITY TO  
 11 ASSIGN BENEFICIARIES.—Nothing in this chapter shall be  
 12 construed to authorize the Combined Fund to assign any  
 13 eligible beneficiary to any signatory operator for purposes  
 14 of this subchapter.”

15 (2) EFFECTIVE DATE.—The amendment made  
 16 by this subsection shall take effect as if included in  
 17 the amendments made by the Coal Industry Retiree  
 18 Health Benefit Act of 1992.

## 19 **TITLE II—ADJUSTMENTS TO** 20 **PREMIUM COMPUTATIONS**

### 21 **SEC. 201. ADJUSTMENTS TO HEALTH BENEFIT PREMIUMS.**

22 (a) IN GENERAL.—Section 9704(b)(2) (defining per  
 23 beneficiary premium) is amended to read as follows:

24 “(2) PER BENEFICIARY PREMIUM.—

25 “(A) IN GENERAL.—

1 “(i) YEARS ENDING BEFORE 1997.—In  
 2 the case of any plan year ending before  
 3 1997, the per beneficiary premium shall be  
 4 determined in accordance with the follow-  
 5 ing table:

<b>“For the plan year ending in:</b>	<b>The premium is:</b>
1993 .....	\$1,130.72
1994 .....	\$2,245.83
1995 .....	\$2,349.38
1996 .....	\$2,454.05.

6 “(ii) 1997 PLAN YEAR.—In the case  
 7 of the plan year beginning October 1,  
 8 1996, the per beneficiary premium shall  
 9 be—

10 “(I) \$3,530 for 1988 agreement  
 11 operators not described in subclause  
 12 (II),

13 “(II) \$2,279.41 for captive coal  
 14 producing operators, and

15 “(III) \$750 for reachback signa-  
 16 tory operators.

17 “(iii) PLAN YEARS AFTER 1997.—In  
 18 the case of any plan year beginning on or  
 19 after October 1, 1997, the per beneficiary  
 20 premium shall be equal to the sum of—

21 “(I) the per beneficiary premium  
 22 in effect for the preceding plan year,  
 23 plus

1                   “(II) the product of the amount  
2                   determined under subclause (I) and  
3                   the medical cost factor.

4                   “(B) MEDICAL COST FACTOR.—For pur-  
5                   poses of this paragraph—

6                   “(i) IN GENERAL.—The term ‘medical  
7                   cost factor’ means, with respect to any  
8                   plan year, a percentage equal to the lesser  
9                   of—

10                   “(I) the percentage (if any) by  
11                   which the per beneficiary expenditures  
12                   for the preceding plan year for health  
13                   benefits described in section 9703(b)  
14                   exceeds such expenditures for the sec-  
15                   ond preceding plan year, or

16                   “(II) the sum of 3 percentage  
17                   points, plus the percentage (if any) by  
18                   which the medical component of the  
19                   Consumer Price Index for the cal-  
20                   endar year in which the plan year be-  
21                   gins exceeds such component for the  
22                   preceding calendar year.

23                   “(ii) CAPTIVE COAL PRODUCING OP-  
24                   ERATORS.—In the case of a captive coal  
25                   producing operator, the medical cost factor

for any plan year shall be the percentage  
(if any) by which the medical component of  
the Consumer Price Index for the calendar  
year in which the plan year begins exceeds  
such component for the preceding calendar  
year.

“(C) CAPTIVE COAL PRODUCING OPERA-  
TOR.—For purposes of this paragraph, the term  
‘captive coal producing operator’ means a 1988  
agreement operator if—

“(i) such operator produced bitu-  
minous coal during the period from Janu-  
ary 1, 1990, to December 31, 1994, and

“(ii) such operator (or a related per-  
son to such operator) consumed annually  
at least 30 percent of such coal in connec-  
tion with the operator’s (or related per-  
son’s) steelmaking operations.”

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by  
this section shall apply to plan years of the Com-  
bined Fund beginning on and after October 1, 1996.

(2) PRIOR PLAN YEARS.—

(A) IN GENERAL.—Section  
9704(b)(2)(A)(i) of the Internal Revenue Code



1 of 1986 (as amended by subsection (a)) shall  
2 apply to plan years of the Combined Fund be-  
3 ginning before October 1, 1996.

4 (B) PAYMENT OF PREMIUMS.—If any as-  
5 signed operator owes any additional premiums  
6 for any plan year ending on or before Septem-  
7 ber 30, 1996, by reason of the amendment  
8 made by subsection (a), the assigned operator  
9 shall pay such additional premiums to the Com-  
10 bined Fund within 90 days after the date of the  
11 enactment of this Act. Such premiums shall be  
12 treated as paid for the year to which they relate  
13 and not to the year in which paid, except that  
14 no penalties or interest shall be assessed for  
15 any period beginning before the close of the 90-  
16 day period.

17 (3) CREDIT OR REFUND OF OVERPAYMENT.—

18 If, for the plan year beginning on October 1, 1996,  
19 an assigned operator paid premiums in excess of the  
20 premiums owed after the application of the amend-  
21 ment made by subsection (a)—

22 (A) such excess shall be treated as a credit  
23 against the premiums payable by the operator  
24 for the following plan year, and

1 (B) to the extent such excess is greater  
 2 than such premiums, such excess shall be re-  
 3 funded to the operator.

4 **SEC. 202. CAP ON PREMIUM PAYMENTS FOR SMALL**  
 5 **REACHBACKS; ADJUSTMENT TO PREMIUMS**  
 6 **TO REFLECT SURPLUS OR DEFICIT.**

7 (a) IN GENERAL.—Part II of subchapter B of chap-  
 8 ter 99 (relating to financing of Combined Benefit Fund)  
 9 is amended by inserting after section 9704 the following  
 10 new section:

11 **“SEC. 9704A. ADJUSTMENTS IN ANNUAL PREMIUMS OF CER-**  
 12 **TAIN OPERATORS.**

13 “(a) GENERAL RULE.—The annual premium of an  
 14 assigned operator under section 9704(a) shall—

15 “(1) in the case of a small reachback signatory  
 16 operator, be reduced as provided in subsection (b),  
 17 and

18 “(2) in any case in which there is a surplus or  
 19 deficit in the Combined Fund to which subsection  
 20 (c) applies, be adjusted as provided in subsection (c).

21 “(b) REDUCTIONS FOR SMALL REACHBACK SIGNA-  
 22 TORY OPERATORS.—

23 “(1) IN GENERAL.—In the case of any plan  
 24 year beginning on or after February 1, 1993, the  
 25 annual premium under section 9704(a) for any small

1 reachback signatory operator for such plan year  
2 shall not exceed 5 percent of the operator's average  
3 annual taxable income for purposes of chapter 1 for  
4 the 5-taxable year period ending with the operator's  
5 most recent taxable year ending before the beginning  
6 of the plan year.

7 “(2) SMALL REACHBACK SIGNATORY OPERA-  
8 TORS.—For purposes of this section—

9 “(A) IN GENERAL.—The term ‘small  
10 reachback signatory operator’ means any signa-  
11 tory operator other than a 1988 agreement op-  
12 erator—

13 “(i) the average annual gross income  
14 of which for purposes of chapter 1 for the  
15 5-taxable year period ending with the oper-  
16 ator's most recent taxable year ending be-  
17 fore October 1, 1993, did not exceed  
18 \$25,000,000, and

19 “(ii) which was not engaged in the  
20 production of bituminous coal on or after  
21 October 1, 1993.

22 For purposes of this subparagraph, production  
23 by a related person shall be treated as produc-  
24 tion by the assigned operator.

1           “(B) PRODUCTION OF COAL.—For pur-  
 2           poses of subparagraph (A), an assigned opera-  
 3           tor or related person shall be treated as en-  
 4           gaged in the production of bituminous coal if it  
 5           has employed employees in—

6                       “(i) the extraction of bituminous coal,  
 7                       or

8                       “(ii) the preparation, processing, or  
 9                       changing of bituminous coal for sale.

10           “(3) AGGREGATION RULES.—In determining  
 11           gross income or taxable income for purposes of this  
 12           section, an assigned operator and any related per-  
 13           sons shall be treated as 1 person.

14           “(4) BURDEN OF PROOF.—A person seeking to  
 15           have this subsection apply shall have the burden of  
 16           establishing to the satisfaction of the Commissioner  
 17           of Social Security—

18                       “(A) that this subsection applies to such  
 19                       person, and

20                       “(B) the amount of the gross or taxable  
 21                       income of such person or any related person to  
 22                       be used in applying this subsection.

23           “(c) ADJUSTMENTS BASED UPON FUND SURPLUS  
 24           OR DEFICIT.—

1           “(1) TREATMENT OF SURPLUS.—If, as of the  
 2           close of any plan year ending on or after September  
 3           30, 1997, the Combined Fund has a surplus in net  
 4           assets in excess of 100 percent of the net expenses  
 5           of the Combined Fund for the plan year, the annual  
 6           premium under section 9704(a) for the succeeding  
 7           plan year of any assigned operator other than a  
 8           small reachback signatory operator shall be reduced  
 9           by an amount which bears the same ratio to the sur-  
 10          plus in excess of 100 percent of such net expenses  
 11          as—

12                   “(A) such assigned operator’s aggregate  
 13                   premiums for the plan year of such surplus for  
 14                   beneficiaries assigned to such operator (deter-  
 15                   mined without regard to this section), bears to

16                   “(B) the sum of the amounts determined  
 17                   under subparagraph (A) for all assigned opera-  
 18                   tors other than small reachback signatory oper-  
 19                   ators.

20          “(2) TREATMENT OF DEFICIT.—

21                   “(A) IN GENERAL.—If, as of the close of  
 22                   any plan year ending on or after September 30,  
 23                   1997, the Combined Fund has a deficit, the an-  
 24                   nual premium under section 9704(a) for the  
 25                   succeeding plan year of any assigned operator

1           shall be increased by an amount which bears  
2           the same ratio to the amount of the deficit as—

3                   “(i) such assigned operator’s aggre-  
4                   gate premiums for the plan year of such  
5                   deficit for beneficiaries assigned to such  
6                   operator (determined without regard to  
7                   this section), bears to

8                   “(ii) the sum of the amounts deter-  
9                   mined under subparagraph (A) for all as-  
10                  signed operators.

11               “(B) CAP ON PREMIUM INCREASE.—In no  
12               event shall this paragraph result in the annual  
13               premiums of a small reachback signatory opera-  
14               tor exceeding the amount determined under  
15               subsection (b) for the plan year. Any increase  
16               under subparagraph (A) not so allowed shall,  
17               subject to this subparagraph, be allocated rat-  
18               ably among the other assigned operators.

19               “(d) COMPUTATION OF SURPLUS OR DEFICIT.—For  
20               purposes of this section, any determination of a surplus  
21               or deficit in the Combined Fund—

22                   “(1) shall be calculated on a cash receipts and  
23                   disbursements basis,

24                   “(2) shall be calculated without regard to any  
25                   premiums, expenditures, or other items in any sub-

1 account of the death benefits premium account es-  
 2 tablished under section 9704(e)(4),

3 “(3) shall be made and certified by an inde-  
 4 pendent auditor retained by the trustees, and

5 “(4) once so certified, shall be reviewable by a  
 6 court of law only to determine if such determination  
 7 is reasonable.

8 A determination shall be considered reasonable for pur-  
 9 poses of paragraph (3) if it is made in accordance with  
 10 generally accepted accounting principles and is based on  
 11 assumptions which, in the aggregate, are reasonable.”

12 (b) CONFORMING AMENDMENTS.—

13 (1) Section 9704(a) (relating to annual pre-  
 14 miums) is amended by striking “Each” and insert-  
 15 ing “Subject to section 9704A, each”.

16 (2) The table of sections for part II of sub-  
 17 chapter B of chapter 99 is amended by inserting  
 18 after the item relating to section 9704 the following  
 19 new item:

“Sec. 9704A. Adjustments in annual premiums of certain operators.”

20 (c) EFFECTIVE DATE.—

21 (1) IN GENERAL.—The amendments made by  
 22 this section shall apply to plan years of the Com-  
 23 bined Fund beginning after January 31, 1993.

24 (2) REFUND OF EXCESS PAYMENTS.—If a small  
 25 reachback signatory operator (as defined in section

1       9704A(b)(2) of the Internal Revenue Code of 1986,  
2       as added by this section) has paid premiums in ex-  
3       cess of the amount owed for any plan year ending  
4       on or before September 30, 1996, by reason of the  
5       amendment made by subsection (a), the Combined  
6       Fund shall refund such excess to the operator within  
7       90 days after the date of the enactment of this Act.

8               (3) WAIVER OF PENALTIES.—

9               (A) IN GENERAL.—In the case of an appli-  
10       cable operator, no penalty shall be imposed  
11       under section 9707 of such Code on any failure  
12       of such operator to pay any installment of a  
13       premium due under section 9704 of such Code  
14       before the 90th day after the enactment of this  
15       Act if the operator pays such installment before  
16       such date. For purposes of this subsection, the  
17       amount of the installment shall be determined  
18       after application of the amendments made by  
19       this Act.

20              (B) COMPLIANCE.—An operator shall not  
21       be treated as failing to meet the requirements  
22       of subparagraph (A) with respect to any install-  
23       ment if—

24                   (i) the failure to pay the installment  
25       before the 90th day after the date of the



1 enactment of this Act was due to reason-  
2 able cause, and

3 (ii) the failure is corrected within 90  
4 days of the later of—

5 (I) notice of the failure, or

6 (II) a final administrative or ju-  
7 dicial determination of the amount of  
8 the installment which is not  
9 reviewable or appealable.

10 (C) APPLICABLE OPERATOR.—For pur-  
11 poses of this paragraph, the term “applicable  
12 operator” means any—

13 (i) small reachback signatory operator  
14 (as defined in section 9704A(b)(2) of the  
15 Internal Revenue Code of 1986, as added  
16 by this section), or

17 (ii) any assigned operator not de-  
18 scribed in clause (i) that was not a signa-  
19 tory to the 1978 National Bituminous Coal  
20 Wage Agreement or any subsequent coal  
21 wage agreement.

1 **SEC. 203. ADJUSTMENTS TO DEATH BENEFIT AND UNAS-**  
 2 **SIGNED BENEFICIARIES PREMIUMS.**

3 (a) DEATH BENEFIT PREMIUM.—Section 9704(c)  
 4 (relating to death benefit premium) is amended to read  
 5 as follows:

6 “(c) DEATH BENEFIT PREMIUMS.—The death bene-  
 7 fit premium for any plan year for any assigned operator  
 8 shall be equal to—

9 “(1) in the case of a reachback signatory opera-  
 10 tor, the amount which the Combined Fund was re-  
 11 quired to pay during the preceding plan year for  
 12 death benefits coverage described in section 9703(c)  
 13 for eligible beneficiaries assigned to such operator,  
 14 and

15 “(2) in the case of any other assigned operator,  
 16 the applicable percentage of the amount, actuarially  
 17 determined, which the Combined Fund will be re-  
 18 quired to pay during the plan year for death benefits  
 19 coverage described in section 9703(c) for eligible  
 20 beneficiaries assigned to operators other than  
 21 reachback signatory operators.”

22 (b) UNASSIGNED BENEFICIARIES PREMIUM.—

23 (1) PREMIUM ONLY TO APPLY TO 1988 AGREE-  
 24 MENT OPERATORS.—Section 9704(a)(3) (relating to  
 25 annual premiums) is amended by inserting “in the  
 26 case of an assigned operator which is a 1988 agree-

1       ment operator,” before “the unassigned beneficiaries  
2       premium”.

3               (2) COMPUTATION OF PREMIUM.—Section  
4       9704(d) (relating to unassigned beneficiaries pre-  
5       mium) is amended to read as follows:

6       “(d) UNASSIGNED BENEFICIARIES PREMIUM.—The  
7       unassigned beneficiaries premium for any 1988 agreement  
8       operator for any plan year shall be the applicable percent-  
9       age of the sum of—

10              “(1) the product of the per beneficiary premium  
11       for the plan year under subsection (b)(2) for 1988  
12       agreement operators (other than captive coal produc-  
13       ing operators) and the number of eligible bene-  
14       ficiaries who are not assigned under section 9706 to  
15       any person for such plan year, plus

16              “(2) the amount, actuarially determined, which  
17       the Combined Fund will be required to pay during  
18       the plan year for death benefits coverage for such  
19       unassigned beneficiaries.”

20       (c) APPLICABLE PERCENTAGE.—

21              (1) REACHBACK OPERATORS DISREGARDED.—  
22       Section 9704(f)(1) (defining applicable percentage)  
23       is amended by striking “all such operators” and in-  
24       serting “all 1988 agreement operators”.

1           (2)       ADJUSTMENTS       FOR       STATUTORY  
2       CHANGES.—Section 9704(f)(2)(A) (relating to an-  
3       nual adjustments) is amended by inserting “and to  
4       changes in the provisions of this chapter after Octo-  
5       ber 24, 1992” before the period at the end.

6       (d) COORDINATION WITH PREMIUM ACCOUNT AD-  
7       JUSTMENTS.—Section 9704(e) (relating to premium ac-  
8       counts; adjustments) is amended by adding at the end the  
9       following new paragraph:

10           “(4) SPECIAL RULES FOR DEATH BENEFIT  
11       PREMIUMS.—In the case of plan years of the Com-  
12       bined Fund beginning on and after October 1, 1996,  
13       the trustees of the Combined Fund shall establish  
14       and maintain a separate subaccount in the death  
15       benefits premium account for each of the following:

16           “(A) Death benefit premiums of reachback  
17       signatory operators.

18           “(B) Death benefit premiums of other as-  
19       signed operators.

20           “(C) The portion of the unassigned bene-  
21       ficiaries premiums attributable to death benefits  
22       coverage of unassigned beneficiaries.

23       Each such subaccount shall be treated as a separate  
24       death benefit premium account for purposes of ap-  
25       plying this subsection. Any item taken into account

1 under subparagraph (C) shall not be taken into ac-  
 2 count for purposes of the unassigned beneficiaries  
 3 premium account.”

4 (e) EFFECTIVE DATE.—The amendments made by  
 5 this section shall apply to plan years of the Combined  
 6 Fund beginning on and after October 1, 1996.

7 **SEC. 204. CALCULATION OF PREMIUMS PAID BY RELATED**  
 8 **PERSONS.**

9 Section 9704(g) (relating to payment of premiums)  
 10 is amended by adding at the end the following new para-  
 11 graph:

12 “(3) SPECIAL RULE FOR RELATED PERSONS.—  
 13 If any related person of an assigned operator is re-  
 14 quired under subsection (a) to pay the annual pre-  
 15 mium of that operator, the amount of such premium  
 16 shall be the same as the amount assessed the as-  
 17 signed operator.”

18 **TITLE III—OTHER PROVISIONS**

19 **SEC. 301. COVERAGE OF BENEFICIARIES OF 1988 AGREE-**  
 20 **MENT OPERATORS PAYING WITHDRAWAL LI-**  
 21 **ABILITY.**

22 (a) TERMINATION OF OBLIGATIONS UNDER INDIVID-  
 23 UAL EMPLOYER PLANS.—Section 9711 (relating to con-  
 24 tinued obligation of individual employer plans) is amended  
 25 by adding at the end the following new subsection:

1       “(h) SPECIAL RULE FOR 1988 AGREEMENT OPERA-  
2 TORS WITH CONTRACTUAL WITHDRAWAL LIABILITY.—

3               “(1) IN GENERAL.—Subsections (a) and (b)  
4 shall not apply to an applicable last signatory opera-  
5 tor.

6               “(2) APPLICABLE LAST SIGNATORY OPERA-  
7 TOR.—For purposes of this subsection, the term ‘ap-  
8 plicable last signatory operator’ means a 1988  
9 agreement operator which—

10               “(A) was assessed and paid contractual  
11 withdrawal liability to the 1950 UMWA Benefit  
12 Plan, the 1974 UMWA Benefit Plan, or the  
13 Combined Fund, or

14               “(B) has a contingent liability for any con-  
15 tractual withdrawal liability payment described  
16 in subparagraph (A).”

17       (b) COVERAGE OF INDIVIDUALS UNDER 1992  
18 PLAN.—

19               (1) IN GENERAL.—Section 9712(b)(2) (defining  
20 eligible beneficiary) is amended—

21               (A) by striking “or” at the end of subpara-  
22 graph (A), by inserting “or” at the end of sub-  
23 paragraph (B), and by inserting after subpara-  
24 graph (B) the following new subparagraph:

1 “(C) with respect to whom coverage would  
 2 be required to be provided under section 9711  
 3 but for subsection (h) thereof,” and

4 (B) by striking “or (B)” and inserting “,  
 5 (B), or (C)”.

6 (2) FINANCING.—Section 9712(d) (relating to  
 7 guarantee of benefits) is amended by adding at the  
 8 end the following new paragraph:

9 “(7) SPECIAL RULES FOR BENEFICIARIES OF  
 10 1988 WITHDRAWAL OPERATORS.—

11 “(A) IN GENERAL.—Any amount payable  
 12 under this subsection with respect to an eligible  
 13 beneficiary or potentially eligible beneficiary at-  
 14 tributable to a 1988 last signatory operator  
 15 which is an applicable last signatory operator—

16 “(i) shall first be paid by the Com-  
 17 bined Fund from amounts segregated for  
 18 such purpose with respect to the operator  
 19 under subparagraph (B), and

20 “(ii) if the amounts described in  
 21 clause (i) are exhausted, shall then be paid  
 22 by the operator.

23 “(B) SEGREGATION OF FUNDS.—The  
 24 trustees of the Combined Fund shall establish  
 25 a separate segregated account for each applica-

ble last signatory operator. The trustees shall transfer to each such account the amount of withdrawal liability described in section 9711(h)(2)(A) paid by such operator or any predecessor. Any assets in such accounts (and any liabilities arising therefrom) shall not be taken into account for purposes of subchapter A.

“(C) APPLICABLE LAST SIGNATORY OPERATOR.—For purposes of this paragraph, the term ‘applicable last signatory operator’ has the meaning given such term by section 9711(h)(2).”

(3) PROHIBITION ON COLLECTION OR ASSESSMENT OF WITHDRAWAL LIABILITY.—Section 9708 (relating to effect on pending claims or obligations) is amended—

(A) by striking “All liability” and inserting:

“(a) IN GENERAL.—All liability”,

(B) by inserting “, except as provided in subsection (b)” after “However”, and

(C) by adding at the end the following new subsection:

“(b) SPECIAL RULE FOR CERTAIN WITHDRAWAL LIABILITY.—Notwithstanding subsection (a), the trustees of



1 the Combined Fund shall, on and after the date of the  
 2 enactment of this subsection, cease to assess, collect, or  
 3 attempt to collect any contractual withdrawal liability  
 4 under Section (i) or (j) of Article XX of the 1988 National  
 5 Bituminous Coal Wage Agreement.”

6 (c) EFFECTIVE DATES.—

7 (1) IN GENERAL.—The amendments made by  
 8 this section shall apply to benefits provided to eligi-  
 9 ble beneficiaries for months beginning after the 60th  
 10 day after the date of the enactment of this Act.

11 (2) PROHIBITION.—The amendment made by  
 12 subsection (b)(3) shall take effect on the date of the  
 13 enactment of this Act.

14 **SEC. 302. DISCLOSURE REQUIREMENTS.**

15 (a) IN GENERAL.—Section 9704(h) (relating to infor-  
 16 mation) is amended by adding at the end the following  
 17 new paragraph:

18 “(2) INFORMATION TO CONTRIBUTORS.—

19 “(A) IN GENERAL.—The trustees of the  
 20 Combined Fund shall, within 30 days of a writ-  
 21 ten request, make available to any person re-  
 22 quired to make contributions to the Combined  
 23 Fund or their agent—

24 “(i) all documents which reflect the  
 25 Combined Fund’s financial and operational

1 status, including documents under which it  
 2 is operated, and

3 “(ii) all documents prepared at the re-  
 4 quest of the trustees or staff of the Com-  
 5 bined Fund which form the basis for any  
 6 of its actions or reports, including the eli-  
 7 gibility of participants in predecessor  
 8 plans.

9 “(B) FEES.—The trustees may charge rea-  
 10 sonable fees (not in excess of actual expenses)  
 11 for providing documents under this paragraph.”

12 (b) CONFORMING AMENDMENT.—Section 9704(h) is  
 13 amended by striking “(h) INFORMATION.—The” and in-  
 14 serting:

15 “(h) INFORMATION.—

16 “(1) INFORMATION TO SECRETARY.—The”.

○