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113TH CONGRESS
1ST SESSION

H. R. 980

To protect the health care and pension benefits of our nation's miners.

IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 2013

Mr. RAHALL introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To protect the health care and pension benefits of our nation's miners.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Coal Accountability and Retired Employee Act of 2013" or the "CARE Act".

SEC. 2. AMENDMENT OF SURFACE MINING CONTROL AND RECLAMATION ACT OF 1977.

Section 402(i)(2) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(i)(2)) is amended—

(1) by striking ''Subject to'' and inserting the following:

''(A) IN GENERAL.—Subject to''; and

(2) by adding at the end the following:

''(B) EXCESS AMOUNTS.—

''(i) IN GENERAL.—Subject to paragraph (3), and after all transfers referred to in paragraph (1) and subparagraph (A) of this paragraph have been made, any amounts remaining after the application of paragraph (3)(A) (without regard to this subparagraph) shall be transferred to the trustees of the 1974 UMWA Pension Plan and used solely to pay pension benefits required under such plan.

''(ii) 1974 UMWA PENSION PLAN.—In this subparagraph, the term '1974 UMWA Pension Plan' means a pension plan referred to in section 9701(a)(3) of the Internal Revenue Code of 1986 but without regard to whether participation in such

plan is limited to individuals who retired in 1976 and thereafter.''.

SEC. 3. ELIGIBILITY FOR 1992 UMWA BENEFIT PLAN.

(a) IN GENERAL.—Paragraph (2) of section 9712(b) of the Internal Revenue Code of 1986 is amended by striking ''or'' at the end of subparagraph (A), by adding ''or'' at the end of subparagraph (B), and by inserting after subparagraph (B) the following new subparagraph:

''(C) but for this chapter, would be eligible to receive benefits from the 1974 UMWA Benefit Plan (other than an individual described in the last sentence of section 402(h)(2)(C) of the Surface Mining Control and Reclamation Act of 1977) following a proceeding under title 11, United States Code, or other insolvency proceeding relating to the applicable last signatory operator, but who does not receive such coverage at levels at least equal to those described in section 402(h)(2)(C) of the Surface Mining Control and Reclamation Act of 1977 from such operator or any related person,''.

(b) CONFORMING AMENDMENTS.—Paragraph (2) of section 9712(b) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''subparagraph (A) or (B)'' in the matter following subparagraph (C) (as added by this section) and inserting ''subparagraph (A), (B), or (C)'', and

(2) by inserting ''under subparagraph (A) or (B)'' after ''health benefits coverage'' in the second sentence.

SEC. 4. SPECIAL RULE FOR CERTAIN SUPPLEMENTAL BENEFIT PLANS.

(a) IN GENERAL.—Section 404 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(p) SPECIAL RULE FOR CERTAIN SUPPLEMENTAL BENEFIT PLANS.—

''(1) IN GENERAL.—If contributions are paid by an employer under a plan that provides supplemental benefits solely to participants in a plan described in subsection (c) (or a continuation thereof) that provides pension benefits, such contributions shall not be deductible under this section nor be made nondeductible by this section, but the deductibility thereof shall be governed solely by section 162 (relating to trade or business expenses).

''(2) TAX TREATMENT OF PLAN.—For purposes of this title, the trust holding the assets of a plan

to which paragraph (1) applies shall be treated as an organization exempt from tax under section 501(a).

"(3) SPECIAL RULE FOR PAYMENTS OTHER THAN TO OR FROM A TRUST.—For purposes of this subsection, payments made by an employer to the trustees of a plan described in paragraph (1), and benefits paid by the trustees of such plan, shall be treated as contributions paid to, and benefits paid from, such plan without regard to whether the contributions are paid into, or benefits paid from, the trust holding the assets of such plan.".

(b) EXCLUSION FROM WAGES.—

(1) PAYROLL TAXES.—Paragraph (5) of section 3121(a) of the Internal Revenue Code of 1986 is amended by striking "or" at the end of subparagraph (H), by adding "or" at the end of subparagraph (I), and by adding at the end the following new subparagraph:

"(J) under a plan to which section 404(p)(1) applies;".

(2) COLLECTION OF INCOME TAX AT SOURCE.—Paragraph (12) of section 3401(a) of such Code is amended by adding at the end the following new subparagraph:

"(F) under a plan to which section 404(p)(1) applies, or".

(3) UNEMPLOYMENT TAXES.—Section 3306(b) of such Code is amended by striking "or" at the end of paragraph (19), by striking the period at the end of paragraph (20) and inserting "; or", and by adding at the end the following new paragraph:

"(21) any payment made to or for the benefit of an individual under a plan to which section 404(p)(1) applies.".

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