

## TITLE 26 - INTERNAL REVENUE CODE

### Subtitle J - Coal Industry Health Benefits

#### CHAPTER 99 - COAL INDUSTRY HEALTH BENEFITS

##### Subchapter A - Definitions of General Applicability

### § 9701. Definitions of general applicability

#### (a) Plans and funds

For purposes of this chapter—

##### (1) UMWA Benefit Plan

###### (A) In general

The term “UMWA Benefit Plan” means a plan—

- (i) which is described in section 404 (c), or a continuation thereof; and
- (ii) which provides health benefits to retirees and beneficiaries of the industry which maintained the 1950 UMWA Pension Plan.

###### (B) 1950 UMWA Benefit Plan

The term “1950 UMWA Benefit Plan” means a UMWA Benefit Plan, participation in which is substantially limited to individuals who retired before 1976.

###### (C) 1974 UMWA Benefit Plan

The term “1974 UMWA Benefit Plan” means a UMWA Benefit Plan, participation in which is substantially limited to individuals who retired on or after January 1, 1976.

##### (2) 1950 UMWA Pension Plan

The term “1950 UMWA Pension Plan” means a pension plan described in section 404 (c) (or a continuation thereof), participation in which is substantially limited to individuals who retired before 1976.

##### (3) 1974 UMWA Pension Plan

The term “1974 UMWA Pension Plan” means a pension plan described in section 404 (c) (or a continuation thereof), participation in which is substantially limited to individuals who retired in 1976 and thereafter.

##### (4) 1992 UMWA Benefit Plan

The term “1992 UMWA Benefit Plan” means the plan referred to in section 9713A.<sup>1</sup>

##### (5) Combined Fund

The term “Combined Fund” means the United Mine Workers of America Combined Benefit Fund established under section 9702.

#### (b) Agreements

For purposes of this section—

##### (1) Coal wage agreement

The term “coal wage agreement” means—

- (A) the National Bituminous Coal Wage Agreement, or
- (B) any other agreement entered into between an employer in the coal industry and the United Mine Workers of America that required or requires one or both of the following:
  - (i) the provision of health benefits to retirees of such employer, eligibility for which is based on years of service credited under a plan established by the settlors and described in section 404 (c) or a continuation of such plan; or

- (ii) contributions to the 1950 UMWA Benefit Plan or the 1974 UMWA Benefit Plan, or any predecessor thereof.

**(2) Settlers**

The term “settlers” means the United Mine Workers of America and the Bituminous Coal Operators’ Association, Inc. (referred to in this chapter as the “BCOA”).

**(3) National Bituminous Coal Wage Agreement**

The term “National Bituminous Coal Wage Agreement” means a collective bargaining agreement negotiated by the BCOA and the United Mine Workers of America.

**(c) Terms relating to operators**

For purposes of this section—

**(1) Signatory operator**

The term “signatory operator” means a person which is or was a signatory to a coal wage agreement.

**(2) Related persons**

**(A) In general**

A person shall be considered to be a related person to a signatory operator if that person is—

- (i) a member of the controlled group of corporations (within the meaning of section 52 (a)) which includes such signatory operator;
- (ii) a trade or business which is under common control (as determined under section 52 (b)) with such signatory operator; or
- (iii) any other person who is identified as having a partnership interest or joint venture with a signatory operator in a business within the coal industry, but only if such business employed eligible beneficiaries, except that this clause shall not apply to a person whose only interest is as a limited partner.

A related person shall also include a successor in interest of any person described in clause (i), (ii), or (iii).

**(B) Time for determination**

The relationships described in clauses (i), (ii), and (iii) of subparagraph (A) shall be determined as of July 20, 1992, except that if, on July 20, 1992, a signatory operator is no longer in business, the relationships shall be determined as of the time immediately before such operator ceased to be in business.

**(3) 1988 agreement operator**

The term “1988 agreement operator” means—

- (A) a signatory operator which was a signatory to the 1988 National Bituminous Coal Wage Agreement,
- (B) an employer in the coal industry which was a signatory to an agreement containing pension and health care contribution and benefit provisions which are the same as those contained in the 1988 National Bituminous Coal Wage Agreement, or
- (C) an employer from which contributions were actually received after 1987 and before July 20, 1992, by the 1950 UMWA Benefit Plan or the 1974 UMWA Benefit Plan in connection with employment in the coal industry during the period covered by the 1988 National Bituminous Coal Wage Agreement.

**(4) Last signatory operator**

The term “last signatory operator” means, with respect to a coal industry retiree, a signatory operator which was the most recent coal industry employer of such retiree.

**(5) Assigned operator**

*NB: This unofficial compilation of the U.S. Code is current as of Jan. 4, 2010 (see <http://www.law.cornell.edu/uscode/uscodeprint.html>).*

The term “assigned operator” means, with respect to an eligible beneficiary defined in section 9703 (f), the signatory operator to which liability under subchapter B with respect to the beneficiary is assigned under section 9706.

**(6) Operators of dependent beneficiaries**

For purposes of this chapter, the signatory operator, last signatory operator, or assigned operator of any eligible beneficiary under this chapter who is a coal industry retiree shall be considered to be the signatory operator, last signatory operator, or assigned operator with respect to any other individual who is an eligible beneficiary under this chapter by reason of a relationship to the retiree.

**(7) Business**

For purposes of this chapter, a person shall be considered to be in business if such person conducts or derives revenue from any business activity, whether or not in the coal industry.

**(8) Successor in interest**

**(A) Safe harbor**

The term “successor in interest” shall not include any person who—

- (i) is an unrelated person to an eligible seller described in subparagraph (C); and
- (ii) purchases for fair market value assets, or all of the stock, of a related person to such seller, in a bona fide, arm’s-length sale.

**(B) Unrelated person**

The term “unrelated person” means a purchaser who does not bear a relationship to the eligible seller described in section 267 (b).

**(C) Eligible seller**

For purposes of this paragraph, the term “eligible seller” means an assigned operator described in section 9704 (j)(2) or a related person to such assigned operator.

**(d) Enactment date**

For purposes of this chapter, the term “enactment date” means the date of the enactment of this chapter.

**Footnotes**

<sup>1</sup> See References in Text note below.

(Added Pub. L. 102–486, title XIX, § 19143(a), Oct. 24, 1992, 106 Stat. 3037; amended Pub. L. 109–432, div. C, title II, § 211(d), Dec. 20, 2006, 120 Stat. 3023.)

**References in Text**

Section 9713A, referred to in subsec. (a)(4), probably should be a reference to section 9712 which provided for the establishment of the United Mine Workers of America 1992 Benefit Plan, referred to in that section as the “1992 UMWA Benefit Plan”. No section 9713A of this title has been enacted.

The date of the enactment of this chapter, referred to in subsec. (d), is the date of the enactment of Pub. L. 102–486, which was approved Oct. 24, 1992.

**Amendments**

2006—Subsec. (c)(8). Pub. L. 109–432 added par. (8).

**Effective Date of 2006 Amendment**

Pub. L. 109–432, div. C, title II, § 211(e), Dec. 20, 2006, 120 Stat. 3023, provided that: “The amendments made by this section [amending this section and sections 9704, 9711, and 9712 of this title] shall take effect on the date of the enactment of this Act [Dec. 20, 2006], except that the amendment made by subsection (d) [amending this section] shall apply to transactions after the date of the enactment of this Act.”

## Findings and Declaration of Policy

Section 19142 of Pub. L. 102–486 provided that:

“(a) Findings.—The Congress finds that—

“(1) the production, transportation, and use of coal substantially affects interstate and foreign commerce and the national public interest; and

“(2) in order to secure the stability of interstate commerce, it is necessary to modify the current private health care benefit plan structure for retirees in the coal industry to identify persons most responsible for plan liabilities in order to stabilize plan funding and allow for the provision of health care benefits to such retirees.

“(b) Statement of Policy.—It is the policy of this subtitle [subtitle C (§§ 19141–19143) of title XIX of Pub. L. 102–486, enacting this subtitle, amending sections 1231 and 1232 of Title 30, Mineral Lands and Mining, and enacting provisions set out as a note under section 1 of this title]—

“(1) to remedy problems with the provision and funding of health care benefits with respect to the beneficiaries of multiemployer benefit plans that provide health care benefits to retirees in the coal industry;

“(2) to allow for sufficient operating assets for such plans; and

“(3) to provide for the continuation of a privately financed self-sufficient program for the delivery of health care benefits to the beneficiaries of such plans.”