



U.S. Congressman
Nick Rahall
WORKING FOR WEST VIRGINIANS

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CONTACT: JIM ZOIA
(202) 226-7761

FATE OF RETIRED COAL MINERS IN BUSH'S HANDS
Rahall Vows To Continue The Fight If Bush Vetos Tax Bill

WASHINGTON, D.C. -- The fate of over 120,000 retired coal miners, their families and widows is in the hands of President George Bush, U.S. Rep. Nick J. Rahall (D-WV) said today after the House of Representatives passed a tax bill worked out between the House and Senate that includes provisions to finance the UMWA health care program.

"We, in Congress, have done our job. Now the President should do his," Rahall said.

During debate on the House Floor today, Rahall stated: "I rise today on behalf of a class of citizens who once worked, who labored in one of the most dangerous occupations there is, and who now, in retirement, face betrayal by their former employers and possibly by the federal government if this legislation is not passed."

He concluded: "The pending legislation affords us with a unique opportunity to address this matter by providing for an industry-wide tax to be dedicated to the health care of retired coal miners.

"And if there is anybody here who would question this proposal, I would ask that you come with me, travel through the hills and hollows of Appalachia, and see, first-hand, the pain and suffering on the faces of these retired coal miners.

"These are not people who are looking for a hand-out. These are people who daily descended underground, who labored in darkness, who gave their sweat and their blood to produce the coal that made the industrialization of this Nation possible. These are people who were promised compensation by their companies and their government. Let us not forsake them today."

Rahall vowed that he would continue the fight for UMWA health care if President Bush vetoes the tax bill. In late February, Rahall opened up what he called a "second front in the battle for coal miner health care." At the time, Rahall predicted: "This matter is simply too important to depend on obtaining the enactment of a single measure."

Under Rahall's proposal, money would be transferred from the Abandoned Mine Reclamation Fund to finance a portion of UMWA health benefits. The measure has been referred to Rahall's Subcommittee on Mining and Natural Resources and has the support of Interior Committee Chairman George Miller.

- 30 -

**REMARKS OF REP. NICK J. RAHALL
TAX BILL**

MR. CHAIRMAN. We have heard a great deal of debate on the pending measure on items of great import to the working men and women of this country.

I rise today on behalf of a class of citizens who once worked.

Who labored in one of the most dangerous occupations there is.

And who now, in retirement, face betrayal by their former employers and possibly by the federal government if this legislation is not passed.

In the near future, more than 120,000 retired coal miners, their families and their widows will lose their health insurance if we do not take action to return the UMWA Health Funds to solvency.

At this time, the UMWA Health Funds are in deficit, threatening the continuity of benefits to both existing and future retirees.

The growing deficit in the UMWA Health Funds is primarily due to thousands of beneficiaries whose last employers are no longer operating, or who are no longer signatories to the current National Bituminous Coal Wage Agreement.

As such, 75 percent of the retirees served by the Health Funds never worked for, or had any connection with, a currently contributing company.

I would submit that this is an unjust situation.

Let me remind my colleagues that there is a federal responsibility to these Funds, dating back to 1946 under an agreement between then-UMW President John L. Lewis and the federal government to resolve a long-running labor dispute.

At the time, President Truman had ordered the Interior Secretary to take possession of all bituminous coal mines in the country in an effort to break a United Mine Workers of America strike.

Eventually, Lewis and Secretary Julius Krug reached an agreement that included an industry-wide, miner controlled health plan.

The pending legislation affords us with a unique opportunity to address this matter by providing for an industry-wide tax to be dedicated to the health care of retired coal miners.

And if there is anybody here who would question this proposal, I would ask that you come with me, travel through the hills and hollows of Appalachia, and see, first-hand, the pain and suffering on the faces of these retired coal miners.

These are not people who are looking for a hand-out.

These are people who daily descended underground, who labored in darkness, who gave their sweat and their blood to produce the coal that made the industrialization of this Nation possible.

These are people who were promised compensation by their companies and their government.

Let us not forsake them today.

FLOOR STATEMENT
HONORABLE NICK J. RAHALL, II (D-WV)
H.R. 4210, MIDDLE INCOME TAX RELIEF AND ECONOMIC GROWTH ACT

MR. CHAIRMAN, I rise in support of H.R. 4210, the Middle Income Tax Relief and Economic Growth Incentive Act.

There are good reasons for supporting this bill, and there are some reasons in my mind why I should not support it. In my judgement the good outweighs the bad, and so I will vote for the conference agreement today.

The provisions have been weighed according to their importance to a people burdened for so long by a recession denied by the Administration. The two year tax credit of \$150 and \$300 respectively for single and joint filers, as little as it may put into the pockets of middle-income America, is looked upon with favor by many of my constituents. In fairness, I must say that other of my constituents look upon it as too little, too late, and they reject it out of hand.

But the additional permanent tax credit of \$300 per child under the age of 16 for people with low incomes, beginning in FY 1994, is a decent response to the cry for tax fairness for middle America -- and it has my wholehearted support.

The new IRA provisions, waiving the penalty for first time homebuyers, for education and medical expenses, and for those who have been unemployed for 12 weeks or more, is also a decent thing to do for Americans. Needless to say, the additional full deductibility for \$2,000 in contributions to IRA's per year and the creation of "special IRA's" in which contributions would be taxed, but interest on the account would be tax free, is a desirable provision on the part of many of my constituents, and so I welcome it.

The tax credits for student loan interest, and the expansion of the exclusion for education savings bonds will assist many a financially strapped student borrower, and may even help reduce the default rate among student borrowers.

The conference agreement also repeals the onerous luxury taxes imposed in 1990 -- which I voted against at the time -- and it extends for one year certain expiring tax credits. The temporary extensions are for targeted jobs, R&E, employer-provided educational assistance, mortgage revenue bonds, and small issue bonds. It makes permanent the tax credit for low income housing -- something I had hoped would be done for all expiring tax credits -- but the permanent status of the housing credit for low income housing is an excellent move.

The Investment tax credit in the agreement will permit 10 percent extra depreciation allowance over a two year period, and the expensing, or write-off, of equipment for small businesses are provisions I can support, but given a choice would have done differently. I am anxious to see the outcome of these provisions, their impact on small

businesses, and particularly their impact, if any, on expanding small businesses and their ability to hire new workers.

The passive loss rules for real estate entities have been modified -- a provision that I wholeheartedly supported in the name of economic recovery.

Finally, Mr. Chairman, the bill allows deductions of fair market value, not the original cost for charitable gifts of appreciated property under the alternative minimum tax, and that is a good thing. Regrettably, the Conference agreement permits this for a period of only one year, and that is disturbing, for I believe it should be made permanent.

I wish to go on record as being disappointed that the House bill did not contain the \$5,000 tax credit for first-time homebuyers -- and further express my disappointment that the Senate provision doing so did not survive conference.

I am unsure about the capital gains tax reduction provisions being called economic growth incentives. Only time will tell, and I intend to monitor this situation carefully -- just to determine whether in fact capital gains tax reductions result in bigger investment in our own economy, or if in fact it is the revenue loser it is said to be by some budget experts and well-known economists.

Mr. Chairman, I wish the President had not issued his March 20th deadline -- for ultimatums seldom allow adequate time for deliberations of quality on subjects as important as economic growth -- putting America back to work. More than that, I wish the Congress had not tried to hard to meet that arbitrary deadline. Putting America back to work is far too important an issue for us to doom to failure just in order to respond to political rhetoric and threats.

I hope the President will look at this bill, and regardless of the taxes it imposes on the richest one percent of American earners -- a tax to be used to pay for decent breaks for middle America -- will not veto the bill, but meet us half way and approve the bill.

The President's own bill was rejected by his own party. That says a lot -- it speaks eloquently and in volumes politically. I call upon President Bush to regard this conference agreement as meeting him half-way, and urge him to sign it into law.

But if the President does veto H.R. 4210, and if we fail to have the courage of our convictions enough to override it -- let us put our efforts and our energies not into temporary tax relief of less than a dollar a day for middle America -- but into public works infrastructure projects that will create instant jobs and put the unemployed Middle American back to work. It will provide the dignity of a paycheck, and increased tax revenues for the treasury, while at the same time supporting families and making them whole again. And after doing all that, we will find that we have rebuilt America.