

# CONGRESS MUST PROTECT THE SOLVENCY OF THE BLACK LUNG DISABILITY TRUST FUND AND ENSURE THAT COAL COMPANIES PAY THEIR FAIR SHARE TO PROVIDE BENEFITS TO MINERS

## Coal miners and their communities are facing an epidemic as black lung disease has risen to historically unprecedented levels<sup>1</sup>

Black lung disease among coal miners is a resurgent epidemic that constitutes a public health emergency. The rate of black lung, an entirely preventable disease caused by exposure to coal dust and silica on the job, has *doubled* nationwide since 2000.<sup>2</sup> Recent data shows that 1 in 5 veteran working coal miners in Central Appalachia now have the disease; rates of miners with the most severe form of the disease— Progressive Massive Fibrosis—are the highest ever recorded.

## The Black Lung Disability Trust Fund provides critical benefits to miners and their families

The Black Lung Disability Trust Fund provides monthly payments and medical benefits to coal miners (and surviving dependents) disabled from black lung disease, when their employer is bankrupt or when no coal operator can be identified as responsible for paying benefits. For FY2018, the Department of Labor reported \$177 million paid to approximately 26,000 beneficiaries living in all 50 states plus the District of Columbia, across all federal Black Lung claims.<sup>3</sup> The vast majority of claims (75% of chief beneficiaries) were paid by the Trust Fund, not by a former employer, in FY2017.<sup>4</sup>

<sup>1</sup> Berkes, Howard. "Black Lung Rate Hits 25-Year High in Appalachian Coal Mining States." NPR. July 19, 2018. <<https://www.npr.org/2018/07/19/630470150/black-lung-rate-hits-25-year-high-in-appalachian-coal-mining-states>>; Berkes, Howard. "NPR Continues to Find Hundreds of Cases of Advanced Black Lung." NPR. July 1, 2017. <<https://www.npr.org/sections/thetwo-way/2017/07/01/535082619/npr-continues-to-find-hundreds-of-cases-of-advanced-black-lung>>

<sup>2</sup> American Journal of Public Health, 2018. "Continued Increase in the Presence of Coal Workers' Pneumoconiosis in the United States, 1970 - 2017." Blackley et al, AJPH, September 2018 <<https://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2018.304517>>

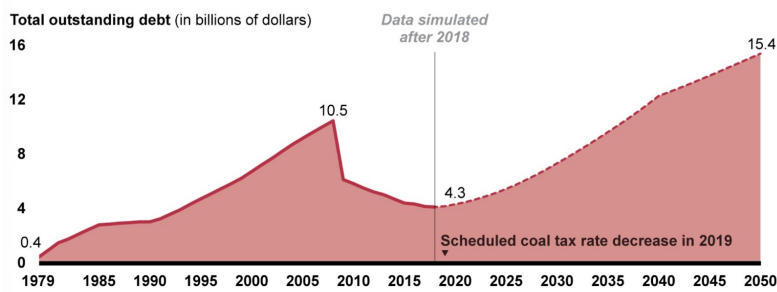
<sup>3</sup> Black Lung Program Statistics. Division of Coal Mine Workers' Compensation, Department of Labor. 2018. <[www.dol.gov/owcp/dcmwc/statistics/PartsBandCBeneficiaries.htm](http://www.dol.gov/owcp/dcmwc/statistics/PartsBandCBeneficiaries.htm)>, <[www.dol.gov/owcp/dcmwc/statistics/bls2018/DistributionOfClaimsByState2018.htm](http://www.dol.gov/owcp/dcmwc/statistics/bls2018/DistributionOfClaimsByState2018.htm)>

<sup>4</sup> Government Accountability Office. "Black Lung Benefits Program: Options for Improving Trust Fund Finances." Page 6. June 4, 2018. <<https://www.gao.gov/assets/700/692103.pdf>>

## Coal company contributions must continue at the historic tax rate or Trust Fund costs will exceed revenue as soon as 2020, and its debt will spiral out of control

The Trust Fund is funded by a per ton excise tax on coal sold domestically. Congress allowed the excise tax rate that has been in place for over three decades to drop by more than half at the start of 2019. At this lower rate, the Trust Fund's benefits payments and administrative costs will exceed revenue as early as next year, according to Government Accountability Office estimates.<sup>5</sup> The debt of this public Trust Fund will then skyrocket to over \$15 billion in 30 years.<sup>6</sup> This would effectively shift the cost of black lung benefits from coal companies to taxpayers, contrary to the clear intent of Congress when it established the Trust Fund with the Black Lung Benefits Revenue Act of 1977. Unless the 116th Congress takes action, the Trust Fund's solvency, and thus the future benefits of miners, are in jeopardy.

Trust Fund Actual and Simulated Outstanding Debt, fiscal years 1979 through 2050



Source: GAO analysis of data from the Departments of Labor and Treasury (actual data) and GAO simulation. | GAO-18-351

<sup>5</sup> Government Accountability Office. "Black Lung Benefits Program: Options for Improving Trust Fund Finances." Page 16. June 4, 2018. <<https://www.gao.gov/assets/700/692103.pdf>>

<sup>6</sup> Government Accountability Office. "Black Lung Benefits Program: Options for Improving Trust Fund Finances." Page 16. June 4, 2018. <<https://www.gao.gov/assets/700/692103.pdf>>