

UMWA Health and Retirement Funds

- Early 1900s Prior to the creation of the UMWA Health and Retirement Funds, there was no pension plan for retired coal miners and medical care in the nation's coal field communities consisted of a pre-paid system based on deductions from the miners' paychecks. Under this system, coal companies deducted money from the miners' pay and hired doctors to provide medical services to the miners. Over time, the miners came to view the company doctor system as wasteful and harmful to their interests.
- 1946 On May 29, 1946 the historic Krug Lewis agreement was announced and the strike ended. The agreement was signed in the White House with President Truman presiding. It created a welfare and retirement fund to make payments to miners and their dependents and survivors in cases of sickness, permanent disability, death or retirement, and other welfare purposes determined by the trustees.
- 1974 Congress enacts the Employee Retirement Income Security Act (ERISA) to retain the grandfathering of the existing UMWA Health and Retirement Fund. To comply with ERISA, the UMWA and Bituminous Coal Operators' Association (BCOA) create separate pension and benefit plans, creating the UMWA 1950 Pension Plan, the UMWA 1950 Benefit Plan, the UMWA 1974 Pension Plan and the UMWA 1974 Benefit Plan.
- 1990 Coal Commission issues findings and recommendations—*“Retired coal miners have legitimate expectations of retiree health care benefits for life; that is what they were promised during their working years and that is how they planned their retirement years. That commitment should be honored.”*
- 1992 Coal Act enacted by Congress and signed by President Bush. Pursuant to the Coal Act, companies still in business are required to maintain benefit plans for retired miners covered by the Act. The Coal Act also established a new UMWA 1992 Benefit Plan to serve as an orphan safety net for retirees whose employers go out of business.
- 2006 Congress enacts Tax Relief and Health Care Act of 2006, which contained Coal Act/AML provisions that the UMWA had advocated for several years. The legislation expanded the Coal Act to provide financing to cure deficits in the Combined Benefit Fund and to provide support for orphan retirees in both the UMWA 1992 Plan and the UMWA 1993 Plan. The UMWA Funds now has access to AML interest, plus a permanent appropriation of up to \$490 million per year from the Federal Treasury.
- 2008-2009 Stock market plummets in response to Wall Street shenanigans, leading to the worst recession since the Great Depression. Pension plans are devastated. The UMWA 1974 Pension Plan goes from being about 92% funded to about 74% funded. Federal government bails out banks responsible for the financial crisis.