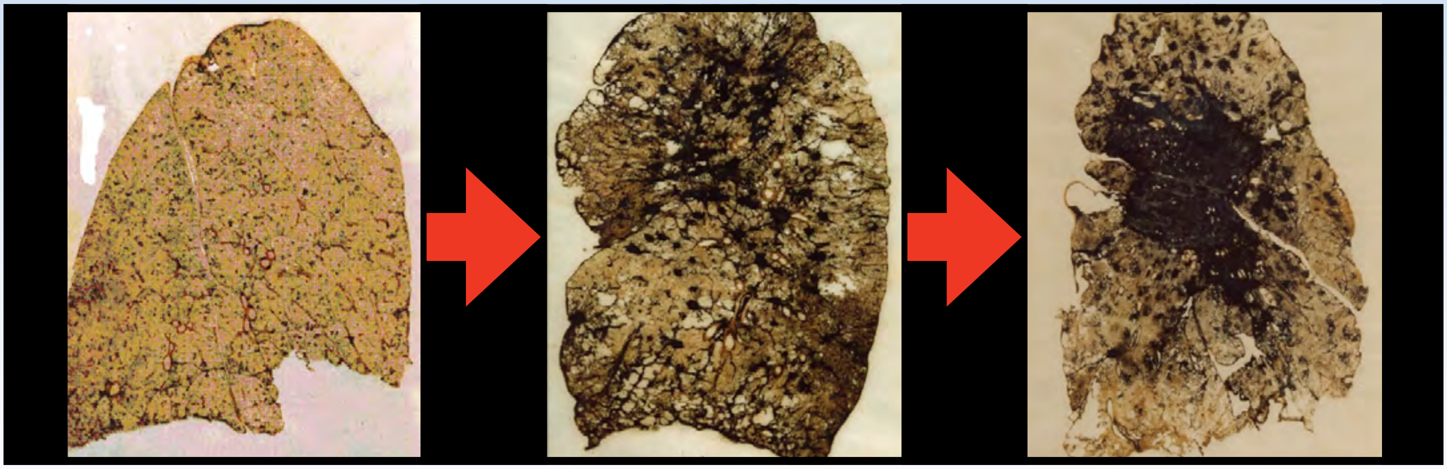


Why West Virginia Needs the Black Lung Excise Tax

On January 1st, 2022, **the sole source of revenue for the Black Lung Disability Trust Fund was cut by more than half** after Congress failed to extend the Black Lung Excise Tax before the end of 2021. Thousands of coal miners disabled by black lung disease and their families in West Virginia and across the country rely on the trust fund to pay for their health insurance and a small living stipend.

Now, the trust fund is piling up more debt, and taxpayers are picking up the tab as the benefits that miners have earned are put under a cloud of uncertainty.

The Black Lung Excise tax is a small excise tax paid by coal companies per ton of coal sold domestically to support the trust fund. Because the trust fund pays for benefits in cases where the miners' employer has gone bankrupt, the trust fund is more important now than ever before as a wave of coal industry bankruptcies has transferred hundreds of millions of dollars of liability onto the fund.

The Build Back Better Act that stalled in the Senate includes a 4-year extension to the tax at the higher historic rate; since the Act failed to pass Congress by the end of 2021, the tax rate has now been cut by more than half. A 10-year extension at the higher rate would provide longer-term security for the fund and for the miners who depend on it.

The living stipend is **less than $700 per month** for a single miner, but it is often one of the primary sources of income for widows and family members left behind. Health insurance benefits can make all the difference for the survival of families dealing with this devastating disease.

In FY2021, over **$149 million** in black lung compensation was paid from the trust fund; these funds supported miners in 47 states.

Miners in West Virginia received over $38 million in payments from the trust fund in FY2021 — equivalent to over 25% of the total annual payout from the fund.

Including both trust fund and coal company cases, as of September 2021, there are **4,423 West Virginia miners and their families receiving federal black lung compensation**.

In 2021, the Black Lung Excise tax collected $271 million in revenue from coal companies, an average of $5.2 million per week. Based on 2021 revenue, we can estimate that **the trust fund is losing approximately $2.8 million per week due to Congress's inaction**. That amounts to new tax benefits for coal companies and new expenses that fall on taxpayers.

If Congress doesn't act to extend the historic rate, **the trust fund's debt could skyrocket to over $15 billion by 2050. This burden will be paid by taxpayers and not the coal companies responsible for the disease**.

These numbers show that black lung is not a disease of the past. Rates of black lung disease have hit a 25-year high in Appalachian coal mining states and have reached epidemic levels in coal communities across the nation.

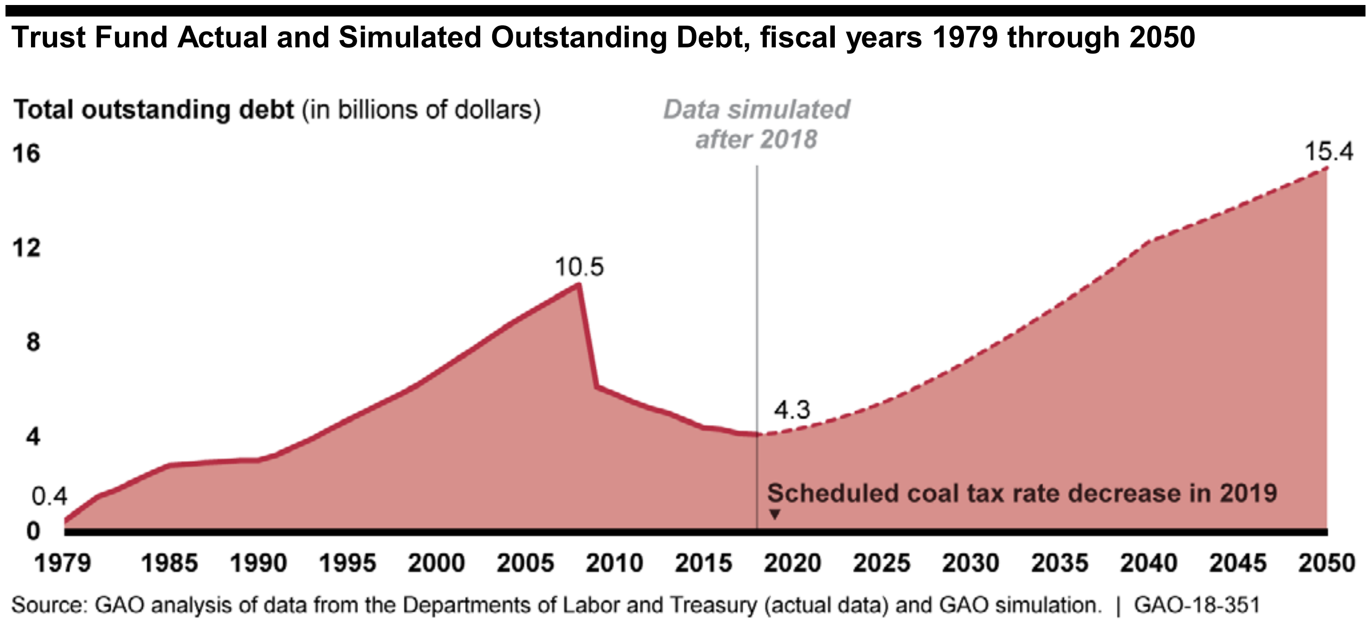
Coal miners risked their lives to power this country. They deserve our support to make sure the Black Lung Disability Trust Fund remains solvent into the future.

SOURCES:

Black Lung Claims Source: [Black Lung Program Statistics | U.S. Department of Labor (dol.gov)]

Black Lung Tax Revenue Source: [Monthly Treasury Statement - Previous Issues]

Future of Trust Fund Source: [Government Accountability Office "Black Lung Benefits Program: Options for Improving Trust Fund Finances."]



*This fact sheet was prepared January 2022 by the Appalachian Citizens' Law Center and Appalachian Voices. Contact Rebecca Shelton at **rshelton@aclc.org** or Chelsea Barnes at **chelsea@appvoices.org** for more information.*