

111TH CONGRESS
2D SESSION

S. 3548

To provide for the extension of premium assistance for COBRA benefits.

IN THE SENATE OF THE UNITED STATES

JUNE 29, 2010

Mr. CASEY (for himself, Mr. BROWN of Ohio, Mr. KERRY, Mr. LEVIN, Mr. WHITEHOUSE, Ms. STABENOW, Mr. LEAHY, Mr. DODD, Mr. FRANKEN, Mr. BURRIS, and Mr. AKAKA) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide for the extension of premium assistance for
COBRA benefits.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Extend COBRA Pre-
5 mium Assistance Program Act of 2010”.

6 **SEC. 2. EXTENSION AND IMPROVEMENT OF PREMIUM AS-**
7 **SISTANCE FOR COBRA BENEFITS.**

8 (a) IN GENERAL.—

9 (1) EXTENSION OF ELIGIBILITY PERIOD.—Sub-
10 section (a)(3)(A) of section 3001 of division B of the

1 American Recovery and Reinvestment Act of 2009
2 (Public Law 111–5), as amended by section 3(a) of
3 the Continuing Extension Act of 2010 (Public Law
4 111–157), is amended by striking “May 31, 2010”
5 and inserting “November 30, 2010”.

6 (2) RULES RELATING TO 2010 EXTENSION.—
7 Subsection (a) of section 3001 of division B of the
8 American Recovery and Reinvestment Act of 2009
9 (Public Law 111–5), as amended by section 3(b) of
10 the Continuing Extension Act of 2010 (Public Law
11 111–157), is amended by adding at the end the fol-
12 lowing:

13 “(19) ADDITIONAL RULES RELATED TO 2010
14 EXTENSION.—In the case of an individual who, with
15 regard to coverage described in paragraph (10)(B),
16 experiences a qualifying event related to a termi-
17 nation of employment on or after June 1, 2010, and
18 prior to the date of the enactment of this para-
19 graph—

20 “(A) paragraph (2)(A)(ii)(I) shall be ap-
21 plied by substituting ‘6 months’ for ‘15
22 months’; and

23 “(B) rules similar to those in paragraphs
24 (4)(A) and (7)(C) shall apply with respect to all

1 continuation coverage, including State continu-
 2 ation coverage programs.”.

3 (3) EFFECTIVE DATE.—The amendment made
 4 by this subsection shall take effect as if included in
 5 the provisions of section 3001 of division B of the
 6 American Recovery and Reinvestment Act of 2009.

7 (b) REQUIRED MINIMUM 10-YEAR TERM, ETC., FOR
 8 GRANTOR RETAINED ANNUITY TRUSTS.—

9 (1) IN GENERAL.—Subsection (b) of section
 10 2702 of the Internal Revenue Code of 1986 is
 11 amended—

12 (A) by redesignating paragraphs (1), (2)
 13 and (3) as subparagraphs (A), (B), and (C), re-
 14 spectively, and by moving such subparagraphs
 15 (as so redesignated) 2 ems to the right;

16 (B) by striking “For purposes of” and in-
 17 serting the following:

18 “(1) IN GENERAL.—For purposes of”;

19 (C) by striking “paragraph (1) or (2)” in
 20 paragraph (1)(C) (as so redesignated) and in-
 21 serting “subparagraph (A) or (B)”;

22 (D) by adding at the end the following new
 23 paragraph:

24 “(2) ADDITIONAL REQUIREMENTS WITH RE-
 25 SPECT TO GRANTOR RETAINED ANNUITIES.—For

1 purposes of subsection (a), in the case of an interest
2 described in paragraph (1)(A) (determined without
3 regard to this paragraph) which is retained by the
4 transferor, such interest shall be treated as de-
5 scribed in such paragraph only if—

6 “(A) the right to receive the fixed amounts
7 referred to in such paragraph is for a term of
8 not less than 10 years,

9 “(B) such fixed amounts, when determined
10 on an annual basis, do not decrease relative to
11 any prior year during the first 10 years of the
12 term referred to in subparagraph (A), and

13 “(C) the remainder interest has a value
14 greater than zero determined as of the time of
15 the transfer.”.

16 (2) EFFECTIVE DATE.—The amendments made
17 by this subsection shall apply to transfers made
18 after December 31, 2010.

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