

**Text of Sections 1899A, 1899B and 1899C of P.L. No. 111-5**

**SEC. 1899A. IMPROVEMENT OF THE AFFORDABILITY OF THE CREDIT.**

(a) Improvement of Affordability-

(1) IN GENERAL- Section 35(a) of the Internal Revenue Code of 1986 (relating to credit for health insurance costs of eligible individuals) is amended by inserting `(80 percent in the case of eligible coverage months beginning before January 1, 2011)' after `65 percent'.

(2) CONFORMING AMENDMENT- Section 7527(b) of such Code (relating to advance payment of credit for health insurance costs of eligible individuals) is amended by inserting `(80 percent in the case of eligible coverage months beginning before January 1, 2011)' after `65 percent'.

(b) Effective Date- The amendments made by this section shall apply to coverage months beginning on or after the first day of the first month beginning 60 days after the date of the enactment of this Act.

**SEC. 1899B. PAYMENT FOR MONTHLY PREMIUMS PAID PRIOR TO COMMENCEMENT OF ADVANCE PAYMENTS OF CREDIT.**

(a) Payment for Premiums Due Prior to Commencement of Advance Payments of Credit- Section 7527 of the Internal Revenue Code of 1986 (relating to advance payment of credit for health insurance costs of eligible individuals) is amended by adding at the end the following new subsection:

(e) Payment for Premiums Due Prior to Commencement of Advance Payments- In the case of eligible coverage months beginning before January 1, 2011--

(1) IN GENERAL- The program established under subsection (a) shall provide that the Secretary shall make 1 or more retroactive payments on behalf of a certified individual in an aggregate amount equal to 80 percent of the premiums for coverage of the taxpayer and qualifying family members under qualified health insurance for eligible coverage months (as defined in section 35(b)) occurring prior to the first month for which an advance payment is made on behalf of such individual under subsection (a).

(2) REDUCTION OF PAYMENT FOR AMOUNTS RECEIVED UNDER NATIONAL EMERGENCY GRANTS- The amount of any payment determined under paragraph (1) shall be reduced by the amount of any payment made to the taxpayer for the purchase of qualified health insurance under a national emergency grant pursuant to section 173(f) of the Workforce Investment Act of 1998 for a taxable year including the eligible coverage months described in paragraph (1).'

(b) Effective Date- The amendments made by this section shall apply to coverage months beginning after December 31, 2008.

(c) Transitional Rule- The Secretary of the Treasury shall not be required to make any payments under section 7527(e) of the Internal Revenue Code of 1986, as added by this section, until after the date that is 6 months after the date of the enactment of this Act.

**SEC. 1899C. TAA RECIPIENTS NOT ENROLLED IN TRAINING PROGRAMS ELIGIBLE FOR CREDIT.**

(a) In General- Paragraph (2) of section 35(c) of the Internal Revenue Code of 1986

(defining eligible TAA recipient) is amended to read as follows:

(2) ELIGIBLE TAA RECIPIENT-

(A) IN GENERAL- Except as provided in subparagraph (B), the term 'eligible TAA recipient' means, with respect to any month, any individual who is receiving for any day of such month a trade readjustment allowance under chapter 2 of title II of the Trade Act of 1974 or who would be eligible to receive such allowance if section 231 of such Act were applied without regard to subsection (a)(3)(B) of such section. An individual shall continue to be treated as an eligible TAA recipient during the first month that such individual would otherwise cease to be an eligible TAA recipient by reason of the preceding sentence.

(B) SPECIAL RULE- In the case of any eligible coverage month beginning after the date of the enactment of this paragraph and before January 1, 2011, the term 'eligible TAA recipient' means, with respect to any month, any individual who--

(i) is receiving for any day of such month a trade readjustment allowance under chapter 2 of title II of the Trade Act of 1974,

(ii) would be eligible to receive such allowance except that such individual is in a break in training provided under a training program approved under section 236 of such Act that exceeds the period specified in section 233(e) of such Act, but is within the period for receiving such allowances provided under section 233(a) of such Act, or

(iii) is receiving unemployment compensation (as defined in section 85(b)) for any day of such month and who would be eligible to receive such allowance for such month if section 231 of such Act were applied without regard to subsections (a)(3)(B) and (a)(5) thereof.

An individual shall continue to be treated as an eligible TAA recipient during the first month that such individual would otherwise cease to be an eligible TAA recipient by reason of the preceding sentence.'

(b) Effective Date- The amendment made by this section shall apply to coverage months beginning after the date of the enactment of this Act.